



Auditors' Report

on annual accounting (financial) statements
of

**“Commercial Indo Bank”
Limited Liability Company**

for 2021 ,

Information about the audited entity

Organization name:

“Commercial Indo Bank” Limited Liability Company

Location:

109147, Moscow, Marksistskaya st., 16

PSRN:

1037711012998 (05.11.2003)

Registration by the Bank of Russia:

3446 (05.11.2003)

Licenses for the activities carried out:

License for banking operations with funds in rubles and foreign currency (without the right to attract deposits from individuals) № 3446 issued by the Bank of Russia on October 28, 2013

INDEPENDENT AUDITOR'S REPORT

TO THE PARTICIPANTS "Commercial Indo Bank" Limited Liability Company

OPINION

We have audited the accompanying annual accounting (financial) statements of "Commercial Indo Bank" Limited Liability Company, (PSRN 1037711012998), hereinafter referred to as the Bank, consisting of:

- ✓ Balance sheet (published form) for 2021;
- ✓ Statement of Financial Results (published form) for 2021;
- ✓ Appendices to the balance sheet and income statement, consisting of:
 - Statement of capital adequacy to cover risks (published form) as of January 1, 2022
 - Statement of changes in the capital of a credit institution (published form) as of January 1, 2022
 - Information on mandatory ratios, financial leverage ratio and short-term liquidity ratio (published form) as of January 1, 2022
 - Cash flow statement (published form) as of January 1, 2022;
 - Explanatory information to the annual accounting (financial) statements.

In our opinion, the accompanying annual financial statements present fairly, in all material respects, the financial position of the Bank as at December 31, 2021, its financial results and cash flows for 2021 in accordance with the rules for preparing financial statements established in the Russian Federation.

BASIS FOR EXPRESSING OPINION

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibility in accordance with these standards is disclosed in the section "Auditor's Responsibility for the Audit of the Annual Financial Statements" in our Report. We are independent of the Bank in accordance with the Rules for Independence of Auditors and Auditing Organizations and the Code of Professional Ethics for Auditors, complying with the International Code of Ethics for Professional Accountants (including International Standards of Independence), developed by the International Ethics Standards Board for Professional Accountants, and we have performed other duties in accordance with these requirements of professional ethics. We guess, that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, according to our professional judgment, were the most significant for our audit of the annual accounting (financial) statements for 2021. These matters were considered in the context of our audit of the annual accounting (financial) statements as a whole and in forming our opinion on these statements, and we do not express a separate opinion on these matters.

Taking into account the specifics of the Bank's activities and the mandatory requirements of banking legislation for the risk and capital management system, including the minimum amount of the Bank's own funds (capital), the key audit matters were identified as follows:

- *the correctness of the calculation of the Bank's own funds (capital)*. Our procedures included determining the correctness of the application of the methodology for calculating the amount of equity, testing (selectively) for the legitimacy of including elements of the calculation in capital, testing for the completeness of the exclusion of certain indicators from the calculation of the equity indicator (line 59 of section 1 of the Statement on capital adequacy to cover risks (form 0409808));

- *the correctness of the calculation of the capital adequacy ratio*, defined as the ratio of the value of the basic capital, the value of the fixed capital and the value of own funds to the amount of credit risk for assets reflected in the balance sheet accounts. Our procedures included testing controls (selectively) when determining risks, testing the correctness of applying methods when determining the breakdowns involved in the calculation of risk-weighted assets (line 7 of Section 1 of the Data on mandatory ratios, financial leverage ratio and short-term liquidity ratio (form 0409813));

- *the correctness of determining the value of net loan debt*, measured at amortized cost (line 5 of the balance sheet (form 0409806)). We paid special attention to:

- allowances for expected credit losses on loans. We have paid special attention to the issue of determining allowances for expected credit losses on loans, due to the materiality of the carrying amount of the loan portfolio, as well as due to the inherent uncertainty inherent in the process of determining allowances for expected credit losses on loans, associated with the application of professional judgment and subjective assumptions of the Bank's management, as well as the need for its analysis of various factors that, individually and / or in the aggregate, can significantly affect the amount of allowances for expected credit losses on loans to customers. In relation to this key audit matter, we performed the following procedures:

- examined the Bank's internal documents that define the methodology for assessing the impairment of loans issued to customers for their compliance with the requirements of international financial reporting standards;

- tested controls over the process of building allowances for expected credit losses on loans to customers;

- tested (on a sample basis) individually assessed loans to customers, for which an allowance for expected credit losses on loans to customers was calculated, for compliance with the requirements of the Bank's internal documents;

- reviewed the calculation of future cash flows (on a sample basis) for individually impaired loans to customers, including the reasonableness and correctness of the assumptions used;

- reviewed the inputs, the assumptions used, and the calculations themselves where impairment losses have been calculated collectively using mathematical models;

- checked the completeness of data disclosure in the notes to the annual accounting (financial) statements.

- reserves for possible losses on loans, loan and equivalent debt (LLP). We have paid special attention to this issue due to the significant impact of the LLP amount, both on the value of mandatory economic ratios and on the financial performance of the Bank. For loan and equivalent debts, LLP is determined by the Bank's management on the basis of professional judgments in accordance with the methods of the Bank of Russia. Judgments on the level of credit risks are based on an integrated approach, including the financial position of the borrower (debtor), the quality of debt servicing, the

availability and quality of collateral, and other factors. In relation to this key audit matter, we performed the following procedures:

- we analyzed internal methods for assessing credit risks and the procedure for the formation of LLP for their compliance with the requirements of Bank of Russia regulations;
- we have tested (on a sample basis) the effectiveness of controls in relation to the process of calculating the LLP and the data used, in order to determine whether we can rely on such controls for audit purposes;
- we reviewed loan and equivalent debt (selectively) in order to form our own judgments on the compliance of the management's determination of credit risks with the requirements of the Bank of Russia regulations and, accordingly, the sufficiency of the formation of LLPs.

A material uncertainty relating to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern, according to ISA 570, by its very nature, is a key audit matter. Information about such events and conditions is given in the "Important Circumstances" section of this Auditor's Report.

IMPORTANT CIRCUMSTANCES

We draw attention to the information disclosed by the Bank in section 5.1 "There is no uncertainty regarding going concern" of the Explanatory information to the annual accounting (financial) statements for 2021, that "at present, the international community is faced with an aggravation of global world problems, in addition to the difficult the epidemiological situation that has persisted in recent years, serious changes are likely in global markets due to geopolitical factors, which resulted in sanctions against the Russian financial system.

The financial condition of credit institutions in the Russian Federation, their compliance with regulatory requirements, and maintaining a sufficient level of liquidity will largely depend on the future macroeconomic situation, including the state of the stock markets, the business activity of clients, and the solvency of debtors for all types of financial instruments. Management believes that given the measures taken by the Bank of Russia to support the financial sector, the negative impact on the Bank's financial stability will not be significant and will not result in any signs of reduced activity. The conclusions of the Bank's management are based on the following:

Plans have been announced to increase cooperation between Russia and the Republic of India, in this direction the Government of the Russian Federation and the Bank of Russia are taking measures to switch to payments for goods and services supplied in the national currencies of Russia and India. Given that our bank is the only Indian bank in Russia that specializes in servicing trade between Russia and India, new prospects are opening up for us to increase our client base and, as a result, increase liabilities and income, primarily for cash settlement and conversion services. It should also be noted that the Bank uses the support measure determined by the Bank of Russia in Ordinance No. 6074-U dated February 25, 2022 for accounting for a portfolio of securities purchased before February 18, 2022 at a price as of February 18, 2022. This measure allowed the Bank not to reflect the negative revaluation of securities during the period of financial market turbulence. At present, the Bank's management sees no negative trends in the Bank's activities.

Thus, as at the date of these financial statements, there are no doubts about the Bank's ability to continue as a going concern for the foreseeable future. It is currently not possible to predict more accurately the impact of the current geopolitical situation on the Bank's business processes."

We would like to draw your attention to the information disclosed by the Bank in Section 5.2 "Estimate Uncertainty" of the Explanatory Information to the Annual Accounting (Financial) Statements for 2021, that "Preparation of financial statements in accordance with the requirements of banking legislation and Bank of Russia regulations requires management implementation of a process for calculating estimated values, including an internal control system.

This is, first of all, the choice of an appropriate accounting policy, the definition of valuation procedures, including models and methods of calculation and valuation. Approaches to the calculation of accounting estimates are based on an understanding of the Bank's main activities, accumulated practical experience and, as a rule, observable input data. Key assumptions are identified that may significantly affect estimates due to the presence of uncertainties regarding future events, as well as major other sources of uncertainty in estimates at the reporting date. This concerns, first of all, the generally accepted methodology for calculating expected credit losses, which includes such probabilistic predictive elements as: the probability of a counterparty default, the level of losses, and the amount exposed to the risk of losses.

The main sources of uncertainty associated with estimates as of 01/01/2022 are: the emergence of new information regarding the financial position of counterparties (borrowers, issuers, investors), unknown at the reporting date, other unforeseen circumstances in the activities of counterparties, caused, among other things, the consequences of a difficult geopolitical situation that affect future cash flows that are involved in the calculation of estimated values, changes in the macroeconomic conditions for doing business, leading to changes in the conditions for placing/attracting financial instruments.

As of the date of these accounting (financial) statements, the Bank's management does not see any negative impact of geopolitical risks on the Bank's activities. It is not possible to predict more accurately the impact of the likely implementation of uncertainty factors on the indicators of reporting items, including those characterizing the amount of own funds (capital) and financial results."

We do not modify our opinion in relation to these matters.

REPORT ON THE RESULTS OF THE VERIFICATION ACCORDING TO THE REQUIREMENTS OF THE FEDERAL LAW DATED DECEMBER 2, 1990 №395-1 "ON BANKS AND BANKING"

The Bank's management is responsible for the Bank's compliance with the mandatory ratios established by the Bank of Russia, and also for the compliance of the internal control and organization of the Bank's risk management systems with the requirements set by the Bank of Russia for each systems.

In accordance with Article 42 of the federal law of December 2, 1990 № 395-1 "On Banks and Banking Activities" during the audit of the annual accounting (financial) statements of the Bank for the year ended 31 December 2020, we conducted an audit :

compliance by the Bank as of January 1, 2021 with the mandatory ratios established by the Bank of Russia;

compliance of internal control and organization of the Bank's risk management systems with the requirements set by the Bank of Russia for such systems.

This review was limited to such procedures, selected on the basis of our judgment, as inquiries, analysis, examination of documents, comparison of the requirements, procedures and methods approved by the Bank with the requirements of the Bank of Russia, as well as recalculation and comparison of numerical indicators and other information.

As a result of our verification, the following was established:

1) in terms of the Bank's compliance with the mandatory ratios established by the Bank of Russia:

the values of the mandatory ratios set by the Bank of Russia as of January 1, 2022 were within the limits set by the Bank of Russia.

We have not performed any procedures with respect to the accounting records of the Bank, other than procedures that we have deemed necessary for the purpose of expressing an opinion that, the annual accounting (financial) statements of the Bank faithfully reflects, in all material respects, its

financial position as of January 1, 2022, financial results of its activities and cash flows for 2021, in accordance with international financial reporting standards;

2) in terms of compliance of the internal control and organization of the Bank's risk management systems with the requirements set by the Bank of Russia for such systems:

a) in accordance with the requirements and recommendations of the Bank of Russia, as of December 31, 2021, the Bank's internal audit service is subordinate and accountable to the Bank's Board of Directors, the Bank's risk management divisions were not subordinate and were not accountable to the divisions taking the relevant risks, the heads of the internal audit service and the Bank's risk management divisions comply with the qualification requirements set by the Bank of Russia;

b) internal documents of the Bank in force as of December 31, 2021, establishing methods for identifying and managing credit, operational, market, interest rate, legal risks, risks of liquidity loss and risks of loss of business reputation, which are significant for the Bank, and stress testing are approved by the authorized management bodies The Bank in accordance with the requirements and recommendations of the Bank of Russia;

c) availability of a reporting system in the Bank as of December 31, 2021 on credit, operational, market, interest rate, legal risks, risks of loss of liquidity and risks of loss of business reputation, as well as the Bank's own funds (capital);

d) the frequency and sequence of reports prepared by the Bank's risk management divisions and the Bank's internal audit service during 2021 on the management of significant risks were consistent with the Bank's internal documents; these reports included the results of observation by the Bank's risk management divisions and the Bank's internal audit service in relation to assessing the effectiveness of the Bank's relevant methods, as well as recommendations for their improvement;

e) as of December 31, 2021, the powers of the Board of Directors of the Bank and its executive management bodies include control over the Bank's compliance with the limit values of risks and the adequacy of equity (capital) established by the Bank's internal documents. In order to monitor the effectiveness of the risk management procedures applied in the Bank and the consistency of their application during 2021, the Board of Directors of the Bank and its executive management bodies periodically discussed reports prepared by the Bank's risk management divisions and the internal audit service, and considered proposed measures to eliminate deficiencies.

The procedures in relation to the internal control and organization of the Bank's risk management systems were carried out by us solely for the purpose of verifying the compliance of the internal control and the organization of the Bank's risk management systems with the requirements set by the Bank of Russia for such systems.

RESPONSIBILITY OF MANAGEMENT AND PERSONS RESPONSIBLE FOR CORPORATE GOVERNANCE OF THE BANK FOR ANNUAL ACCOUNTING (FINANCIAL) STATEMENTS

Management is responsible for the preparation and fair presentation of these annual accounting (financial) statements in accordance with International Financial Reporting Standards and for the internal control that management considers necessary to prepare the annual accounting (financial) statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounting (financial) statements, management is responsible for assessing the Bank's ability to continue as a going concern, for disclosing information related to going concern, as appropriate, and for reporting on a going concern basis, unless management intends to liquidate the Bank, terminate its activity or when it has no other real alternative other than liquidation or termination of activity.

Members of the Board of Directors are responsible for overseeing the preparation of the Bank's annual accounting(financial) statements.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE ANNUAL ACCOUNTING (FINANCIAL) STATEMENTS

Our objective is to obtain reasonable assurance that the annual accounting (financial) statements are free of material misstatement due to fraud or error, and in drawing up an auditor's report containing our opinion. Reasonable assurance is a high degree of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect material misstatements, if there are any. Misstatements may result from fraud or error and are considered significant, if it can be reasonably assumed that, individually or in the aggregate, they can influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with ISAs, we apply professional judgment and maintain professional skepticism throughout the audit. Besides, we do the following:

a) identify and assess the risks of material misstatement of the annual accounting (financial) statements due to fraud or errors; develop and conduct audit procedures in response to these risks; obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatement due to fraud is higher than the risk of not detecting material misstatement due to error, as fraud may include collusion, forgery, deliberate omission, misrepresentation of information or actions bypassing the internal control system;

b) obtain an understanding of the internal control system relevant to the audit in order to develop audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control system;

c) assess the appropriateness of the accounting policies used, the reasonableness of professional estimates and related disclosures prepared by the Bank's management;

d) conclude on the legality of the Bank's management applying the going concern assumption, and based on the audit evidence obtained, a conclusion about whether there is a material uncertainty in connection with events or conditions, as a result of which there may be significant doubts about the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we should draw attention in our auditor's report to the corresponding disclosures in the annual accounting (financial) statements or, if such disclosures are inappropriate, modify our opinion. Our conclusions are based on audit evidence obtained prior to the date of our auditor's report. However, future events or conditions may cause the Bank to no longer be able to continue as a going concern;

e) assess the presentation of annual accounting (financial) statements as a whole, their structure and content, including disclosure of information, and whether the annual accounting (financial) statements present the underlying transactions and events in a manner that ensures their fair presentation.

We carry out informational interaction with members of the Board of Directors of the Bank, bringing to their attention, besides, information on the planned scope and timing of the audit, as well as on significant comments on the results of the audit, including on significant deficiencies in the internal control system that we identify during the audit.

We also provide the Members of the Board of Directors of the Bank with a statement that we have complied with all relevant ethical requirements with regard to independence and have informed these persons of all relationships and other matters that can reasonably be considered to have an impact on the independence of the auditor, and, if necessary, on the appropriate safeguards.

Of the matters that we brought to the attention of the members of the Board of Directors of the Bank, we identified the matters that were most significant for the audit of the annual accounting (financial) statements for the current period, and, therefore, are the key audit matters. We describe these matters in our auditor's report, except when public disclosure of information about these matters is prohibited by law or regulation, or when, in extremely rare cases, we conclude that information about a matter should not be disclosed in our conclusion, since it can reasonably be assumed that the

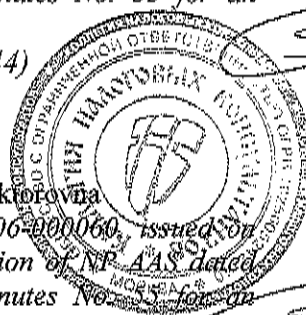
negative consequences of the communication of such information will exceed the socially significant benefits of its communication.

Person acting on behalf of
«KNK», LLC
(PRNE 10206018011)
Based on the Power of
Attorney dated 01.11.2021,
№ 5/2021

Elkhimova Tatiana Viktorovna
(sq. at. auditor No. 06-000060, issued on
the basis of the decision of NP AAS dated
March 30, 2012, Minutes No. 55 for an
unlimited period)
(PRNE 20106013544)

The chief audit officer who has
issued this independent
auditor's report

Elkhimova Tatiana Viktorovna
(sq. at. auditor No. 06-000060, issued on
the basis of the decision of NP AAS dated
March 30, 2012, Minutes No. 55 for an
unlimited period)
(PRNE 20106013544)



Auditing organization:
Limited liability company
"Collegium of Tax Consultants"
PSRN 1025005242140
123007, Moscow, st. Polina Osipenko, 18, bldg. 2, apt. 354
member of the Self-Regulatory Organization of Auditors Association "Sodruzhestvo"
Number in the register of auditors and audit organizations SRO 10206018011

March 29, 2022

Bank reporting		
Territory code by OKATO	Credit institution (branch) code	
	by OKPO	registration number (sequence number)
440301000	171648603	3448

BALANCE SHEET
(published form)
for 2021

Full or abbreviated corporate name of the credit institution
Commercial Indo Bank (Limited Liability Company)
/ Commercial Indo Bank (LLC)

Address (location) of the credit institution
109147, Moscow, Markovskaya st., 18

Form Code by OKUB 0409806

Quarterly (annual)

Line number	Article title	Explanation number	Data for the reporting period, thousand rubles	Data for previous reporting year, thousand rubles
1	2	3	4	5
I. ASSETS				
11	Cash		14453	12415
12	Funds of credit institution at the Central Bank of the Russian Federation		235202	209738
12.1	Mandatory Reserves		181762	278092
13	Amounts due from credit institutions		1013383	909387
14	Financial assets, measured at fair value through profit or loss		0	0
14a	Derivative financial instruments for hedging purposes		0	0
15	Net loan debt, measured at amortized cost		3155614	4498322
16	Net investments in financial assets, measured at fair value through other comprehensive income		807772	2280015
17	Net investments in securities and other financial assets (measured at amortized cost (besides loan debt))		0	0
18	Investments in subsidiaries and affiliates		0	0
19	Current income tax requirement		2	72313
110	Deferred tax asset		34594	40489
111	Fixed assets, right-of-use assets and intangible assets		101309	55076
112	Non-current assets held for sale		0	0
113	Other assets		12110	6948
114	Total assets		5270413	8194283
II. LIABILITIES				
15	Loans, deposits and other funds of the Central Bank of the Russian Federation		0	0
16	Customer funds, measured at amortized cost		2052552	5993248
16.1	Funds of credit institutions		201705	1704983
16.2	Funds of customers other than credit institutions		2750787	4127365
16.2.1	Deposits (funds) of individuals, including individual entrepreneurs		5473	23708
17	Financial liabilities measured at fair value through profit or loss		0	0
17.1	Deposits (funds) of individuals, including individual entrepreneurs		0	0
17a	Derivative financial instruments for hedging purposes		0	0
18	Debt securities issued		0	0
18.1	(measured at fair value through profit or loss)		0	0
18.2	(measured at amortized cost)		0	0
19	Current income tax liabilities		1338	12445
20	Deferred tax liabilities		0	0
21	Other liabilities		76038	44841
22	Provisions for possible losses on contingents (liabilities credit character, other possible losses and transactions with residents of offshore zone)		11047	11916
23	Total liabilities		2040075	5901350
III. SOURCES OF OWN FUNDS				
24	Funds of shareholders (participants)		1115267	1118267
25	Own shares (stakes) repurchased from shareholders (participants)		0	0
26	Share premium		0	0
27	Reserve fund		10507	5930
28	Revaluation at fair value of financial assets, measured at fair value through other comprehensive income, reduced by deferred tax liability (increased by deferred tax asset)		712	26574

129	Revaluation of fixed assets and intangible assets, reduced by deferred tax liability		0	0
130	Revaluation of liabilities (claims), for the payment of long-term remuneration		0	0
131	Revaluation of hedging instruments		0	0
132	Monetary funds of gratuitous financing (contributions to property)		0	0
133	Changes in the fair value of a financial liability, attributable to changes in credit risk		0	0
134	Estimated allowances for expected credit losses		0	0
135	Unused profit (loss)		1202982	1144873
136	Total sources of own funds		2329468	2329443
IV. OFF-BALANCE COMMITMENTS				
137	Inseparable obligations of a credit institution		167797	148407
138	Guarantees and sureties issued by a credit institution		217980	105107
139	Non-credit contingencies		0	0

Operations to be reflected under the article 4 Financial assets measured at fair value through profit or loss of the Section I. ASSETS were not carried out

Operations to be reflected under the article 4a Derivative financial instruments for hedging purposes of the Section I. ASSETS were not carried out

Operations to be reflected under the article 7 Net investments in securities and other financial assets measured at amortized cost (besides loan debt) of the Section I. ASSETS were not carried out

Operations to be reflected under the article 8 Investments in subsidiaries and affiliates of the Section I. ASSETS were not carried out

Operations to be reflected under the article 12 Non-current assets held for sale of the Section I. ASSETS were not carried out

Operations to be reflected under the article 15 Loans, deposits and other funds of the Central Bank of the Russian Federation of the Section I. ASSETS were not carried out

Operations to be reflected under the article 17 Financial liabilities measured at fair value through profit or loss of the Section II. LIABILITIES were not carried out

Operations to be reflected under the article 17.1 Deposits (funds) of individuals, including individual entrepreneurs of the Section II. LIABILITIES were not carried out

Operations to be reflected under the article 17a Derivative financial instruments for hedging purposes of the Section II. LIABILITIES were not carried out

Operations to be reflected under the article 18 Debt securities issued of the Section II. LIABILITIES were not carried out

Operations to be reflected under the article 18.1 measured at fair value through profit or loss of the Section II. LIABILITIES were not carried out

Operations to be reflected under the article 18.2 measured at amortized cost of the Section II. LIABILITIES were not carried out

Operations to be reflected under the article 20 Deferred tax liabilities of the Section II. LIABILITIES during the reporting period were carried out, but at the end of the reporting period there are no balances on them

Operations to be reflected under the article 25 Own shares (stakes) repurchased from shareholders (participants) of the Section III. SOURCES OF OWN FUNDS were not carried out

Operations to be reflected under the article 26 Share premium of the Section III. SOURCES OF OWN FUNDS were not carried out

Operations to be reflected under the article 29 Revaluation of fixed assets and intangible assets, reduced by deferred tax liability of the Section III. SOURCES OF OWN FUNDS were not carried out

Operations to be reflected under the article 30 Revaluation of liabilities (claims), for the payment of long-term remuneration of the Section III. SOURCES OF OWN FUNDS were not carried out

Operations to be reflected under the article 31 Revaluation of hedging instruments of the Section III. SOURCES OF OWN FUNDS were not carried out

Operations to be reflected under the article 32 Monetary funds of gratuitous financing (contributions to property) of the Section III. SOURCES OF OWN FUNDS were not carried out

Operations to be reflected under the article 33 Changes in the fair value of a financial liability, attributable to changes in credit risk of the Section III. SOURCES OF OWN FUNDS were not carried out

Operations to be reflected under the article 34 Estimated allowances for expected credit losses of the Section III. SOURCES OF OWN FUNDS were not carried out

Operations to be reflected under the article 39 Non-credit contingencies of the Section IV. OFF-BALANCE COMMITMENTS were not carried out

Acting Deputy President

Chief Accountant

Executive
Phone: (495) 735-43-35

Ben Nitosh

Silenov A.N.

Grachishkin S.A.

23.03.2022
Check sum 0409805 124516
Extra lines 10
Document file version (RAK) 10.03.2022



Bank reporting		
Territory code by OKATO	Credit institution (branch) code by OKPO	registration number (/ sequence number)
45381000	71649603	3446

Income Statement
(published form)
for 2021

Full or abbreviated corporate name of the credit institution
Commercial Indo Bank (Limited Liability Company)
/ Commercial Indo Bank (LLC)

Address (location) of the credit institution
109147, Moscow, Markovskaya st., 16

Form Code by OBRU 0409807
Quarterly (annual)

Section 1. Profit and loss

Line number	Article Title	Explanation number	Data for the reporting period, thousand rubles	Data for previous reporting year, thousand rubles
1	2	3	4	5
1	Interest income, total, including:		262762	213724
1.1	from placing funds in credit institutions		161635	64142
1.2	from loans to customers, that are not credit institutions		61267	68732
1.3	from investments in securities		39860	80850
2	Interest expenses, total, including:		65777	37376
2.1	On attracted funds from credit institutions		3205	8329
2.2	On attracted funds of clients, that are not credit institutions		62572	29047
2.3	On issued securities		0	0
3	Net interest income (negative interest margin)		196985	176348
4	Change in the reserve for possible losses and the estimated reserve for expected credit losses on loans, loan and equivalent indebtedness, funds, placed on correspondent accounts, as well as accrued interest income, total, including:		-36909	-17525
4.1	Change in the provision for possible losses and the estimated allowance for expected credit losses on accrued interest income		-374	-51
5	Net interest income (negative interest margin) after creating a reserve for possible losses		160077	158823
6	Net income from transactions with financial assets, measured at fair value through profit or loss		0	0
7	Net income from transactions with financial liabilities, measured at fair value through profit or loss		0	0
8	Net income from operations with securities, measured at fair value through other comprehensive income		11355	45590
9	Net income from operations with securities, measured at amortized cost		0	0
10	Net income from foreign exchange transactions		8632	22432
11	Net income from foreign currency revaluation		7139	9879
12	Net income from operations with precious metals		0	0
13	Income from participation in the capital of other legal entities		0	0
14	Fee and commission income		13563	12892
15	Commission expenses		4551	4359
16	Change in the allowance for possible losses and the estimated allowance for expected credit losses on securities, measured at fair value through other comprehensive income		0	3054
17	Change in the provision for potential losses and the estimated provision for expected credit losses on securities measured at amortized cost		0	0
18	Change in provision for other losses		9209	1835
19	Other operating income		37064	964
20	Net income (expenses)		239363	230080
21	Operating expenses		154105	130819
22	Profit (loss) before tax		85258	111261
23	Reimbursement (expense) for taxes		22671	19698
24	Profit (loss) for continuing operations		62587	91563
25	Profit (loss) from discontinued operations		0	0
26	Profit (loss) for the reporting period		62587	91563

Section 2. Other comprehensive income

Line number	Article Title	Explanation number	Data for the reporting period, thousand rubles	Data for previous reporting year, thousand rubles
1	2	3	4	5
1	Profit(loss) for the reporting period		42587	91533
2	Other comprehensive income(loss)		X	X
3	Items that are not reclassified to profit or loss, total, including:		0	0
3.1	Change in the revaluation fund for fixed assets and intangible assets		0	0
3.2	Change in the fund for revaluation of liabilities (claims) for retirement benefits of employees under defined benefit plans		0	0
4	Income tax related to items, that cannot be reclassified to profit or loss		0	0
5	Other comprehensive income (loss) that cannot be reclassified to profit or loss, net of income tax		0	0
6	Articles that can be reclassified to profit or loss, total, including:		-32327	-35498
6.1	Change in the revaluation reserve for financial assets, measured at fair value through other comprehensive income		-32327	-35498
6.2	Change in the revaluation reserve for financial liabilities measured at fair value through profit or loss		0	0
6.3	Change in cash flows hedge fund		0	0
7	Income tax related to items, that can be reclassified to profit or loss		-6465	-6678
8	Other comprehensive income(loss), that can be reclassified to profit or loss, net of income tax		-25862	-28820
9	Other comprehensive income(loss) not of income tax		-25862	-28820
10	Financial result for the reporting period		38725	62713

Operations to be reflected under the article

2.3. On issued securities

were not carried out

Operations to be reflected under the article

6. Net income from transactions with financial assets, measured at fair value through profit or loss

were not carried out

Operations to be reflected under the article

7. Net income from transactions with financial liabilities, measured at fair value through profit or loss

were not carried out

Operations to be reflected under the article

measured at amortized cost

were not carried out

Operations to be reflected under the article

12. Net income from operations with precious metals

were not carried out

Operations to be reflected under the article

13. Income from participation in the capital of other legal entities

were not carried out

Operations to be reflected under the article

16. Change in the allowance for possible losses and the estimated allowance for expected credit losses on securities, measured at fair value through other comprehensive income

were not carried out

Operations to be reflected under the article

17. Change in the provision for potential losses and the estimated provision for expected credit losses on securities measured at amortized cost

were not carried out

Operations to be reflected under the article

25. Profit(loss) from discontinued operations

were not carried out

Acting Deputy President

Kon Nitosh

Chief Accountant

Silonov A.N.

Head of department

Grechishkin E.A.

Phone: (495) 738-43-33

25.03.2022

Checksum :

Section 1

40896

extra lines P1

0

Section 2

13107

extra lines P2

0

Descriptor file version (RAK) 10.03.2022

Bank reporting		
Territory code by OKATO	Credit institution (branch) code by OKPO	registration number (/sequence number)
45381000	71649603	3446

CAPITAL RELEVANCE REPORT FOR RISK COVERING
(published form)

as of 01.01.2022

Full or abbreviated corporate name of the credit institution
(parent credit institution of a banking group) Commercial Endo Bank (Limited Liability Company)
/ Commercial Endo Bank (LLC)

Address(location) of the credit institution
(parent credit institution of a banking group) 109147, Moscow, Marksistskaya st., 16

Form code by OKUD 0409808
(quarterly/annual)

Section 1. Information on the level of capital adequacy

Line number	Instrument(indicator) name	Explanation number	Value of an instrument (index value) of the reporting date (thousand rubles)	Value of an instrument (index value) of the reporting date (thousand rubles)	Link to balance sheet items (published form), that are sources of capital elements
1	2	3	4	5	6
Sources of basic capital					
1	Share capital and share premium, total, (including formed:		1115267.0000	1115267.0000	24
1.1	Ordinary shares(shares)		1115267.0000	1115267.0000	24
1.2	Preferred shares				
2	Undistributed profit (loss):		1146378.0000	994030.0000	
2.1	of previous years		1146378.0000	994030.0000	35
2.2	of the reporting year		0.0000	0.0000	
3	Reserve fund		10507.0000	5930.0000	27

14	Shares of the authorized capital subject to gradual exclusion from the calculation of equity(capital)		not applicable	not applicable	not applicable
15	Underlying capital instruments of subsidiaries owned by third parties		not applicable	not applicable	not applicable
16	Sources of basic capital, total (line 1 +/- line 2 + line 3 - line 4 + line 5)		2272152.0000	2115227.0000	
	Indicators that reduce sources of basic capital				
17	Adjustment of a value of a financial instrument				
18	Goodwill, net of deferred tax liabilities				
19	Intangible assets (excluding goodwill and mortgage servicing rights) net of deferred tax liabilities		21425.0000	14635.0000	11
110	Deferred tax assets dependent on future earnings		28949.0000	33720.0000	10
111	Cash flows hedge reserves				
112	Underdeveloped reserves for possible losses				
113	Income from securitization transactions		not applicable	not applicable	not applicable
114	Income and expenses related to changes in credit risk on liabilities, measured at fair value		not applicable	not applicable	not applicable
115	Defined benefit assets		not applicable	not applicable	not applicable
116	Investments in own shares(stakes)				
117	Counter investments of a credit institution and a financial institution in fixed capital instruments				
118	Insignificant investments in fixed assets of financial institutions				
119	Significant investments in equity instruments of financial institutions				
120	Rights to service mortgage loans		not applicable	not applicable	not applicable
121	Deferred tax assets not dependent on future profits				
122	The aggregate amount of significant investments and deferred tax assets in the part exceeding 15 percent of the amount of the basic capital, in total, including:				
123	Significant investments in equity instruments of financial institutions				
124	Mortgage loans servicing rights		not applicable	not applicable	not applicable
125	Deferred tax assets that do not depend on the future profit				

126	Other indicators that reduce the sources of basic capital set by the Bank of Russia		0.0000		
127	Negative additional capital				
128	Indicators that reduce sources of basic capital, total (sum of lines 7-22, 26 x 27)		50364.0000	48363.0000	
129	Basic capital, in total (line 6 - line 28)		2221788.0000	2066864.0000	
Sources of additional capital					
130	Additional capital instruments and share premium, in total, including:				
131	Classified as equity				
132	Classified as liabilities				
133	Additional capital instruments to be phased out from the calculation of equity (capital)				
134	Additional capital instruments of subsidiaries owned by third parties, in total, including:		not applicable	not applicable	not applicable
135	Additional capital instruments of subsidiaries to be phased out from the calculation of equity (capital)		not applicable	not applicable	not applicable
136	Sources of additional capital, in total, (line 30 + line 33 + line 34)		0.0000	0.0000	
Indicators that reduce sources of additional capital					
137	Investments in own instruments of additional capital				
138	Counter investments of a credit institution and a financial institution in additional capital instruments				
139	Insignificant investments in additional capital instruments of financial institutions				
140	Significant investments in additional capital instruments of financial institutions				
141	Other indicators that reduce the sources of additional capital, set by the Bank of Russia				
142	Negative additional capital				
143	Indicators that reduce sources of additional capital, total (sum of lines 137-142)		0.0000	0.0000	
144	Additional capital, in total (line 36 - line 143)		0.0000	0.0000	
145	Main capital, in total (line 29 + line 144)		2221788.0000	2066864.0000	
Sources of additional capital					
146	Additional capital instruments and share premium		30099.0000	89040.0000	35

47	Additional capital instruments, to be phased out from equity calculation (capital)				
48	Additional capital instruments of subsidiaries owned by third parties, in total, including:	not applicable	not applicable	not applicable	
49	Additional capital instruments of subsidiaries to be phased out from the calculation of equity (capital)	not applicable	not applicable	not applicable	
50	Provisions for possible losses		not applicable		
51	Sources of additional capital, in total (line 46 + line 47 + line 48 + line 50)	30099.0000	89040.0000		
Indicators that reduce the sources of additional capital					
52	Investments in own instruments of additional capital				
53	Counter investments of a credit institution and a financial institution in additional capital instruments				
54	Insignificant investments in additional capital instruments and other instruments that ensure the overall ability to absorb losses of financial institutions				
54a	Investments in other instruments that ensure the overall ability to absorb losses of financial institutions				
55	Substantial investment in additional capital instruments and other instruments that ensure the overall ability to absorb losses of financial institutions				
56	Other indicators that reduce the sources of basic capital set by the Bank of Russia, in total, including:	0.0000	0.0000		
56.1	Overdue accounts receivables lasting more than 30 calendar days				
56.2	Excess of the aggregate amount of loans, bank guarantees and sureties provided to its shareholders (participants) and insiders over its maximum size				
56.3	Investments in the creations and acquisition of fixed assets and inventories				
56.4	The difference between the actual value of the share due to the participants who left the company and the value at which the share was sold to another participant				
57	Indicators that reduce sources of additional capital, in total (sum of lines 52 to 56)	0.0000	0.0000		
58	Additional capital, in total (line 51 - line 57)	30099.0000	89040.0000		
59	Own funds (capital), in total (line 45 + line 58)	2253887.0000	2155904.0000		
60	Risk-weighted assets:	X	X	X	
60.1	Necessary to determine the adequacy of the basic capital	2616780.0000	4637247.0000		

169.2	Necessary to determine the adequacy of the fixed capital	2616700.0000	4637247.0000	
169.3	Necessary to determine the adequacy of own funds(capital)	2616700.0000	4637247.0000	
Equity(capital) adequacy indicators and premiums to equity (capital) adequacy ratios ,percentage				
161	Adequacy of the basic capital (line 29 : line 60.1)	84.9050	44.5710	
162	Adequacy of the fixed capital (line 45 : line 60.2)	84.9050	44.5710	
163	Adequacy of own funds (capital) (line 59 : line 60.3)	86.0560	46.4910	
164	Supplements to the base capital adequacy ratio, in total, including:	2.5000	2.5000	
165	Capital maintenance premium	2.5000	2.2500	
166	Countercyclical markup	0.0000	0.0000	
167	Premium for systemic importance	not applicable	not applicable	not applicable
168	Basic capital, available for directing to maintain the premiums to the capital adequacy ratios (capital)	78.0560	38.4910	
Equity (capital) adequacy ratios, percentage				
169	Basic capital adequacy ratio	4.5000	4.5000	
170	Fixed capital adequacy ratio	6.0000	6.0000	
171	Equity(capital) adequacy ratio	8.0000	8.0000	
Indicators that do not exceed the established materiality thresholds and are not accepted as a reduction in sources of capital				
172	Insignificant investments in capital instruments and other instruments that ensure the overall ability to absorb losses of financial institutions			
173	Significant investments in equity instruments of financial institutions			
174	Rights to service mortgage loans	not applicable	not applicable	not applicable
175	Deferred tax assets not dependent on future profits			
Restrictions on the inclusions of reserves for possible losses in the calculation of additional capital				
176	Provisions for possible losses included in the calculation of additional capital in relations to positions for which credit risk is calculated using the standardized approach	not applicable	not applicable	not applicable
177	Restrictions on the inclusion in the calculation of additional capital of the amounts of provisions for possible losses when using the standardized approach	not applicable	not applicable	not applicable

178	Provisions for possible losses included in the calculation of additional capital in relations to positions for which the internal model approach is applied to calculate the credit risk		not applicable	not applicable	not applicable
179	Limitations on the inclusion in the calculation of additional capital of the amounts of provisions for possible losses when using the approach based on internal models		not applicable	not applicable	not applicable
Instruments to be phased out from the calculation of equity (capital) (applicable from January1,2018 to January1,2022)					
180	Current limitation on the inclusion in the sources of basic capital of instruments subject to gradual exclusion from the calculation of equity (capital)				
181	Part of the instruments not included in the sources of basic capital due to the limitation				
182	Current limitation on the inclusion in the sources of additional paid-in capital of instruments subject to gradual exclusion from the calculation of equity (capital)				
183	Part of the instruments not included in the sources of additional paid-in capital due to the limitation				
184	Current limitation on the inclusion in the sources of additional capital of instruments subject to gradual exclusion from the calculation of equity (capital)				
185	Part of the instruments not included in the sources of additional capital due to the limitation				

Note.

Information about the data of the balance sheet, which are the sources for the preparation of section 1 of the Report , are given in the table

W
section I "Information on the structure of own funds (capital)" information on the applicable procedures on risks and capital management, disclosed

Section 1(3). Information on the level of capital adequacy

Line number	Instrument(indicator) name	Explanation number	Value of an instrument (index value) of the reporting date , thousand rubles	Value of an instrument (index value) of the beginning of the reporting year, thousand rubles
1	2	3	4	5
1	Share capital and share premium, in total, including formed:			
1.1	Ordinary shares			
1.2	Preferred shares			
2	Retained earnings(loss)			

2.1	Previous years				
2.2	The reporting year				
3	Reserve fund				
4	Sources of basic capital, in total, {(line 1 +/- line 2 + line 3)}				
5	Indicators that reduce the sources of basic capital {in total, including:				
5.1	Underdeveloped reserves for possible losses				
5.2	Investments in own shares				
5.3	Negative surplus capital				
6	Base capital {(line 4 - line 5)}				
7	Sources of additional capital				
8	Indicators that reduce sources of additional capital, {in total, including:				
8.1	Investments in own instruments of additional capital				
8.2	Negative value of additional capital				
9	Additional capital, in total, {(line 7 - line 8)}				
10	Basic capital, in total, {(line 6 + line 9)}				
11	Sources of additional capital, in total, {including:				
11.1	Provisions for possible losses				
12	Indicators that reduce the sources of additional {capital, in total, including:				
12.1	Investments in own instruments of additional capital				
12.2	Overdue accounts receivable lasting more than 30 {calendar days				
12.3	Excess of the aggregate amount of loss, {bank guarantees and sureties provided to its {shareholders (participants) and insiders over its {maximum amounts				
12.4	Investments in the constructions and acquisition of {fixed assets and material inventories				

12.5	The difference between the actual value of the share due to the participants who left the company and the value at which the share was sold to another participant				
13	Additional capital, in total, (line 11 - line 12)				
14	Own funds (capital), in total, (line 10 + line 13)				
15	Risk-weighted assets		X	X	
15.1	Necessary to determine the sufficiency of the main capital				
15.2	Necessary to determine the adequacy of own funds (capital)				

Section 2. Information on the size of credit, operational and market risks covered by capital

Subsection 2.1. Credit risk

Line number	Indicator name	Explanation number	Data as of the reporting date thousand rubles			Data at the beginning of the reporting year thousand rubles		
			Asset (instruments) value assessed according to a standardized approach	Asset (instruments) value minus the formed provisions for possible losses	Risk-weighted asset (instrument) value	Asset (instruments) value assessed according to a standardized approach	Asset (instruments) value minus the formed provisions for possible losses	Risk-weighted asset (instrument) value
1	2	3	4	5	6	7	8	9
1	Credit risk on balance sheet assets, in total, including:							
1.1	Assets with a risk ratio 10 percent							
1.2	Assets with a risk ratio 20 percent							
1.3	Assets with a risk ratio 50 percent							
1.4	Assets with a risk ratio 100 percent							
1.5	Assets - credit claims and other claims on central banks or governments of countries with a country rating of "7" (2), with a risk factor of 150 percent							
12	Assets with other risk ratios, in total, including:	X	X	X	X	X	X	X
12.1	With reduced risk ratios, in total, including:							
12.1.1	Mortgage loans with a risk ratio of 35 percent							
12.1.2	Mortgage loans with a risk ratio of 50 percent							

2.1.3	Mortgage loans with a risk ratio of 70 percent								
2.1.4	Mortgage and other loans, including those provided to small and medium-sized businesses, with a risk ratio of 75 percent								
2.1.5	Clearing members' claims								
4	Credit risk on credit related commitments, in total, including:								
4.1	For financial instruments with high risk								
4.2	For financial instruments with average risk								
4.3	For financial instruments with low risk								
4.4	For financial instruments without any risk								
5	Derivative credit risk			X				X	

<1> Assets were classified by risk groups in accordance with clause 2.3 of the Bank of Russia Instruction # 189.

<2> Country estimates are shown in accordance with the classification of export credit agencies participating in the Agreement of the member countries of the Organization Economic Cooperation and Development (OECD) "On the basic principles for the provision and use of export credits with official support" (information on country assessments is posted on the official website of the OECD of Russia in the information and telecommunications network "Internet").

Subsection 2.2. Operational risk

Thousand rubles (quantity)				
Line number	Indicator name	Explanation number	Data as of the reporting date	Data at the beginning of the reporting year
1	2	3	4	5
6	Operational risk, in total, including:			
6.1	Income for the purpose of calculating capital to cover operational risk, in total, including:			
6.1.1	Net interest income			
6.1.2	Net non-interest income			
6.2	Number of years preceding the date of calculating of the value of operational risk			

Subsection 2.3. Market risk

thousand rubles				
Line number	Indicator name	Explanation number	Data as of the reporting date	Data at the beginning of the reporting year
1	2	3	4	5

21

17	Aggregate market risk, in total, including:				
17.1	Interest rate risk				
17.2	Stock risk				
17.3	Currency risk				
17.4	Commodity risk				

Section 3. Information on the amount of certain types of assets, contingent credit liabilities and formed reserves for possible losses

Subsection 3.1. Information on the amount of provisions for possible losses on loans and other assets

thousand rubles					
Line number	Indicator name	Explanation number	Data as of the reporting date	Increase (+)/decrease (-) for the reporting period	Data at the beginning of the reporting year
1	2	3	4	5	6
1	Actually formed reserves, in total, including:				
1.1	On loans, loan and equivalent debts				
1.2	For other balance sheet assets for which there is a risk of incurring losses, and other losses				
1.3	For contingent credit commitments and securities, the rights to which are certified by depositories that do not meet the criteria of the Bank of Russia, reflected in off-balance sheet accounts				
1.4	For transactions with residents of offshore zones				

Subsection 3.2. Credit related assets and contingent liabilities of a credit nature, classified on the basis of the decision of the authorized management body of the credit institution into a higher quality category than it follows from the formalized criteria credit risk assessment

Line number	Indicator name	Sum of claims, thousand rubles	Formed reserve for possible losses				Change in the volume of formed reserves	
			In accordance with the minimum requirements established by the Bank of Russia Regulations № 590-P and № 611-P		By decision of the authorized body		percent	thousand rubles
			percent	thousand rubles	percent	thousand rubles		
1	2	3	4	5	6	7	8	9
1	Requirements for counterparties that have signs indicating their possible lack of real activity, in total, including:							
1.1	Loans							
1.2	Restructured loans							

22

13	Loans granted to borrowers to repay debt on previously issued loans								
14	Loans used to provide loans to third parties and to repay previously existing obligations of other borrowers, in total, including:								
14.1	To the reporting credit institution								
15	Loans used for the purchase and (or) repayment of equity securities								
16	Loans used to make investments in the authorized capital of other legal entities								
17	Loans arising from the termination of previously existing obligations of the borrower by novation or compensation								
18	Credit related commitments to counterparties with indications that they may not have real activity								

Subsection 3.3. Information on securities, the rights to which are certified by depositories, reserves for possible losses on which formed in accordance with the Bank of Russia Ordinance # 2732-U

thousand rubles						
Line number	Indicator name	Book value of securities	Fair value of securities	Formed reserve for possible losses		
				In accordance with the Regulation of the Bank of Russia # 611-P	In accordance with the Ordinance of the Bank of Russia # 2732-U	In total
1	2	3	4	5	6	7
1.	Securities, in total, including:					
1.1	Rights to which are certified by foreign depositories					
2.	Equity securities, in total, including:					
2.1	Rights to which are certified by foreign depositories					
3.	Debt securities, in total, including:					
3.1	Rights to which are certified by foreign depositories					

Subsection 3.4 Information about encumbered and unencumbered assets

thousand rubles					
Line number	Indicator name	Carrying amount of encumbered assets		Carrying amount of unencumbered assets	
		In total	Including obligations to the Bank of Russia	In total	Including those suitable for providing as collateral to the Bank of Russia
1	2	3	4	5	6
1	Total assets, including:				

2	Equity securities, in total, including:				
2.1	Credit institutions				
2.2	Legal entities that are not credit institutions				
3	Debt securities, in total, including:				
3.1	Credit institutions				
3.2	Legal entities that are not credit institutions				
4	Funds on correspondent accounts with credit institutions				
5	Interbank loans(deposits)				
6	Loans to legal entities that are not credit institutions				
7	Loans to individuals				
8	Fixed assets				
9	Other assets				

Section 4. Main characteristics of capital instruments

N i/n	Abbreviated corporate name of the issuer of the capital instrument	Identification number of the instrument (capital)	Capital law	To other instruments overall ability	Regulatory conditions					
					The level of capital to which the instrument is included during the transitional period ("Basel III")	The level of equity to which the instrument is included after the end of transaction period ("Basel III")	Consolidation level at which the instrument is included in equity	Type of the instrument	Value of the instrument, included in the calculation of capital	Nominal value of the instrument
					4	5	6	7	8	9
1	"Commercial Ende Bank" LLC	1037711012998	643 (RUSSIAN FEDERATION)		not applicable	Basic capital	not applicable	Shares in the authorized capital	593970	600 000 thousand Russian rubles
2	"Commercial Ende Bank" LLC	12137711012899	643 (RUSSIAN FEDERATION)		not applicable	Basic capital	not applicable	Shares in the authorized capital	521297	521 297 thousand Russian rubles

Section 4. Continuation

N i/n / Name of the characteris- tics of the instrument	Regulatory conditions							Interest/dividend/coupon yield				
	Classification of an equity instrument for accounting purposes	Date of issue (attraction, placement) of the instrument	Availability of a term date of an instrument	Maturity date of an instrument	Availability of the right to early redemption of the instrument agreed with the Bank of Russia	The initial date (dates) of the possible exercise of the right to early redemption of the instrument, the conditions for the exercise of such right, the amount of redemption	Subsequent date (dates) of the exercise of the right to early redemption of the instrument	Type of bet on the instrument	Rate	Availability of conditions for the termination of dividend payments on ordinary shares	Obligations to pay dividends	Existence of conditions providing for an increase in payments on the instrument or other incentives for early redemption of the instrument
	20	11	12	13	14	15	16	17	18	19	20	21
1	Share capital	05.12.2003	Indefinite	no time limit	no	not applicable	not applicable	not applicable	not applicable	not applicable	Partially at the discretion of the parent CO and (or) a member of the Banking group	not applicable
2	Share capital	14.10.2013	Indefinite	no time limit	no	not applicable	not applicable	not applicable	not applicable	not applicable	Partially at the discretion of the parent CO and (or) a member of the Banking group	not applicable

Section 4. Continuation

N i/n / Name of the characteris- tics of the instrument	Interest/dividend/coupon yield											
	The nature of payments	Tool convertibility	Conditions upon the occurrence of which conversion of the instrument is carried out	Full or partially conversion	Conversion bet	Obligation to convert	Equity level to which the instrument is converted	Abbreviated corporate name of the issuer of the instrument into which the instrument is converted	The ability to write off the instrument to cover losses	Conditions upon the occurrence of which conversion of instrument is carried out	Full or partially write-off	Permanent or temporary write-off
	22	23	24	25	26	27	28	29	30	31	32	33
1	Non-cumulative	Inconvertible	not applicable	not applicable	not applicable	not applicable	not applicable	not applicable	yes	Legislatively	always partially	Constant
2	Non-cumulative	Inconvertible	not applicable	not applicable	not applicable	not applicable	not applicable	not applicable	yes	Legislatively	always partially	Constant

Section 4. Continuation

N i/n / Name of the characteristics of the instrument	Interest/dividend /coupon yield				
	Recovery mechanism	Subordination type	Subordination of an instrument	Compliance with the requirements of the Regulation of the Bank of the Bank of Russia N 646-P and the Bank of Russia N 509-P	Description of discrepancies
	34	34a	35	36	37
1	not applicable		not applicable	yes	not applicable
2	not applicable		not applicable	yes	not applicable

Section "for reference".

Information on the movement of the provision for possible losses on loans, loan and equivalent debt .

3. Formation (additional accrual) of the reserve in the reporting period (thousand rubles)

Total 0, including due to:

1.1. Granting loans 0;

1.2. Changes in the quality of loans 0;

1.3. Changes in the official exchange rate of foreign currency against the ruble
set by the Bank of Russia 0;

1.4. Other reasons 0.

2. Recovery (decrease) of the provision in the reporting period (thousand rubles)

Total 0, including due to:

2.1. Write-offs of bad loans 0;


2.2. Repayment of loans 0;

2.3. Changes in the quality of loans 0;


2.4. Changes in the official exchange rate of foreign currency against the ruble
Set by the Bank of Russia 0;

2.5. other reasons 0.

Acting Deputy President

 Sen Mitesh

Chief accountant

 Silonov A.N.

Head of department
Phone: (495) 735-43-35

Grechishkin S.A.



25.03.2022

Checksum f.0409006 Section 1 :21215

Section 1(1):18862

f.0409008 Section 2:

Subsection 2.1 part1:14897

Subsection 2.1 part2:0

Subsection 2.1 part3:6521

Subsection 2.2 :3188

Subsection 2.3 :2991

f.0409008 Section 3:

Subsection 3.1 :3596

Subsection 3.2 :10377

Subsection 3.3 :4911

Subsection 3.4 :8706

f.0409008 Section 4 :59819

f.0409008 Section 4 Note :0

For reference :6402

Description file version(RAR):10.03.2022

Bank reporting

Territory code	Credit institution	Branch code
by OKATO	by OKPO	registration number
		// sequence number
145381000	171649603	3446

Report on changes in the capital of a credit organization
published form
as of 01.09.2022

Full or abbreviated corporate name of the credit institution:
OJSC "Sberbank of Russia" (Sberbank of Russia)
/ OJSC "Sberbank of Russia" (Sberbank of Russia)

Address/location of the credit institution:
125017, Moscow, Markiznaya st., 15

Form Code by OKMO 01002/0
Quarterly/annual

thousand rubles															
Line number	Article title	Explanation code	Authorized capital	Own shares (purchased from shareholders)	Share premium	Revaluation of fair value of securities available for sale	Revaluation of property, plant and equipment	Increases (decreases) in liabilities (debts) for the payment of long-term employee benefits upon retirement	Revaluation of hedging instruments	Reserve fund	Monetary funds of previous financing	Changes in the fair value of a financial liability attributable to changes in credit risk	Estimated allowances for expected credit losses	Retained earnings (loss)	Total sources of the capital
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	Data for the beginning of the previous reporting year		2115841.0000			53210.0000				0.0000			2114.0000	1055919.0000	2210030.0000
2	Effect of changes in accounting policies														
3	Impact of lag time														
4	Data for the beginning of the previous reporting year (adjusted)		2115261.0000			53020.0000				0.0000			2114.0000	1055919.0000	2210029.0000
5	Comprehensive income for the previous reporting period:					-26746.0000								91533.0000	64227.0000
5.1	Profit/loss													91533.0000	91533.0000
5.2	Other comprehensive income					-26746.0000									-26746.0000
6	Issue of shares:														
6.1	Issued														
6.2	Repurchased														
6.3	Share premium														

Back reporting			
1	2	3	4
territory code	Credit institution (branch) code		
1 by OJASO	by OJASO	registration	
2		number	
3		(if sequence number)	
4			
243381050	17661663	344	

MANIFEST DECLARATION, FINANCIAL LEVER REGULATION INFORMATION AND
SIS STANDARDS OF SHORT TERM LIQUIDITY
(published form)

as of 01.09.2022

Full or abbreviated corporate name of the credit institution
Commercial bank "Baltic Bank" (SAC)
Commercial Bank (SAC)

Address/location of the credit institution
109141, Moscow, Bolshaya St., 36

Form Code by GSN 3408013

Quarterly form 13

Section 1. Information on the main performance indicators of a credit institution (banking group)

Item number	Indicator code	Explanation number	Actual value			
			at the reporting date	as a date a quarter from the reporting date	as a date two quarters from the reporting date	as a date three quarters from the reporting date
1	2	3	4	5	6	7
CAPITAL, thousand rubles						
1	1	1221101	1221101	1221101	1221101	1221101
2	2	1221102	1221102	1221102	1221102	1221102
3	3	1221103	1221103	1221103	1221103	1221103
4	4	1221104	1221104	1221104	1221104	1221104
5	5	1221105	1221105	1221105	1221105	1221105
6	6	1221106	1221106	1221106	1221106	1221106
7	7	1221107	1221107	1221107	1221107	1221107
8	8	1221108	1221108	1221108	1221108	1221108
9	9	1221109	1221109	1221109	1221109	1221109
10	10	1221110	1221110	1221110	1221110	1221110
11	11	1221111	1221111	1221111	1221111	1221111
12	12	1221112	1221112	1221112	1221112	1221112
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16	16	1221116	1221116	1221116	1221116	1221116
17	17	1221117	1221117	1221117	1221117	1221117
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19	19	1221119	1221119	1221119	1221119	1221119
20	20	1221120	1221120	1221120	1221120	1221120
21	21	1221121	1221121	1221121	1221121	1221121
22	22	1221122	1221122	1221122	1221122	1221122
23	23	1221123	1221123	1221123	1221123	1221123
24	24	1221124	1221124	1221124	1221124	1221124
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27	27	1221127	1221127	1221127	1221127	1221127
28	28	1221128	1221128	1221128	1221128	1221128
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104	104	1221204	1221204	1221204	1221204	1221204
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121	121	1221221	1221221	1221221	1221221	1221221
122	122	1221222	1221222	1221222	1221222	1221222
123	123	1221223	1221223	1221223	1221223	1221223
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137	137	1221237	1221237	1221237	1221237	1221237
138	138	1221238	1221238	1221238	1221238	1221238
139	139	1221239	1221239	1221239	1221239	1221239
140	140	1221240	1221240	1221240	1221240	1221240
141	141	1221241	1221241	1221241	1221241	122

10	Equity (capital) adequacy ratio (with full application of the expected credit loss model)	185.83	179.559	151.037	146.323	147.643
SUPPLEMENTS TO BASE CAPITAL as a percentage of the amount of risk-weighted assets, percentage						
11	Capital adequacy supplement	12.5	12.5	12.5	12.5	12.25
12	Anti-cyclical allowance	10	20	10	10	10
13	Allowance for systemic importance	10	10	10	10	10
14	Allowance to the ratios of equity (capital) adequacy, in total (lines 10-13)	12.5	22.5	12.5	12.5	22.25
15	Base capital available to be used (to minimum provision to the capital adequacy ratio)	179.056	164.10	139.07	136.137	135.451
FINANCIAL LEVER REGULATION						
16	The amount of balance sheet assets (and off-balance sheet claims at risk) (for calculating the leverage ratio) (thousand rubles)	5541253	5550187	5518103	16074131	28501133
17	Financial leverage ratio (H21, of a Banking Group (H20.4), percentage)	140.832	131.219	131.264	132.336	125.716
18	Financial leverage ratio (with full application of the expected credit loss model, percentage)	141.221	139.595	137.211	132.412	127.51
SHORT TERM LIQUIDITY REGULATION						
19	Highly liquid assets, thousand rubles	20	10	10	10	10
20	Net expected cash outflow (thousand rubles)	20	10	10	10	10
21	Short term liquidity regulation (H26 (H21), percentage)	10	10	10	10	10
STRUCTURAL LIQUIDITY REGULATION AND STABLE FUNDING REGULATION						
22	Available stable funding (ASF), thousand rubles	20	10	10	10	10
23	Stable funding required (SFR), thousand rubles	20	10	10	10	10
24	Structural liquidity ratio (net stable funding ratio) (H25, H26), percentage	20	10	10	10	10
REGULATIONS RESTRICTIONS CLIMATE RISK, percentage						
25	Instant liquidity ratio H2	111.223	174.419	140.061	1232.161	1325.295
26	Current liquidity ratio H3	135.509	104.350	155.720	1179.143	1215.433
27	Long-term liquidity ratio H4	170.275	114.237	115.424	113.943	113.031
28	Provision risk ratio (per borrower or group related borrowers) (H21)	122.05	122.05	122.05	122.05	122.05

25	Maximum size of large credit risks H12.1	129,090	16,567	17,69	25,154	10							
26	Ratio of the aggregate amount of risk by insiders H16.1	10	10	10	10	10							
27	Maximum risk ratio to a person related to the bank H16.2	maximum value for the period	number of violations	duration	maximum value for the period	number of violations	duration	maximum value for the period	number of violations	duration	maximum value for the period	number of violations	duration
28	Insolvency ratio of total counterparties of the central counterparty H16.3	10.02	5	01	10.02	1	10	10	1	10	10	1	10
29	Insolvency ratio of individual clearing collateral of the central counterparty H16.4	1	1	1	1	1	1	1	1	1	1	1	1
30	Central counterparty liquidity ratio H16.5	1	1	1	1	1	1	1	1	1	1	1	1
31	Maximum concentration risk ratio H16.6	1	1	1	1	1	1	1	1	1	1	1	1
32	Current liquidity ratio of RAR H16.7	1	1	1	1	1	1	1	1	1	1	1	1
33	Liquidity ratio of a non-bank credit institution entitled to transfer funds without opening bank accounts and other related banking operations H16.8	1	1	1	1	1	1	1	1	1	1	1	1
34	The standard for the maximum aggregate amount of loans to customers-settlement participants for the completion of settlements, H16.9	1	1	1	1	1	1	1	1	1	1	1	1
35	The standard for the provision of loans by RAR on its own behalf and for the completion of settlements, except for client-settlement participants H16.1	1	1	1	1	1	1	1	1	1	1	1	1
36	The standard for the maximum amount of securities notes of settlement non-bank credit institutions H16.2	1	1	1	1	1	1	1	1	1	1	1	1
37	Minimum ratio of the size of mortgage coverage and the volume of loans of loans with mortgage coverage H16.3	1	1	1	1	1	1	1	1	1	1	1	1

Section 2. Information on calculating the leverage ratio (H1.4)

Subsection 2.1 Calculation of the size of balance sheet assets and off-balance sheet claims At risk for calculating the leverage ratio (H1.4)

Indicator name	Indicator rate	Explanation number	Amount, thousand rubles
1	2	3	4
1	Assets at par balance sheet published form, total		3304437
2	Immediate expiring investments in the capital of credit, financial, insurance or other organizations, the expiring date of which are included in the consolidated financial statements but are not included in the calculation of the amount of equity (capital, mandatory reserves and reserves) of open foreign exchange positions of the entity group		0
3	Reservable to the price of fiduciary assets (reservable in accordance with accounting rules, but not included in the calculation of the leverage ratio)		0
4	Derivative financial instruments (derivatives)		0
5	Reservable to Securities Lending Operations		0
6	Reservable to the adjustment to the credit equivalent of credit-related components		235641
7	Other adjustments		181762
8	The amount of balance sheet assets and off-balance sheet claims at risk, adjusted for the calculation of the leverage ratio, in total		3485845

32

Section 2.2 Calculation of the ratio of financial leverage (D/E)

Line indicator	Indicator name	Explanation	Amount, thousand rubles
1	2	3	4
Risk on balance sheet assets			
1	Balance sheet assets, in total		515653.00
2	Shadowing adjustment for the size of indicators taken to reduce the size of sources of fixed capital		50184.00
3	The amount of balance sheet assets at risk, reduced for difference between lines 1 and 2, total		510639.00
Risk on transactions on derivatives			
4	Current credit risk on operations with derivatives (limit of the received variation margin and/or taking into account netting of positions, if applicable, in total)		0.00
5	Potential credit risk of the counterparty for operations with derivatives, in total		0.00
6	Adjustment for the size of the residual amount provided collateral for operations with derivatives to be written off from balance sheet		Not applicable
7	Reduction adjustment for the amount of the listed variation margin in specified cases		0.00
8	Adjustment regarding the requirements of the bank (including member to the central counterparty for the execution of clients' transactions)		0.00
9	Adjustment to account for credit risk (in relation to the underlying asset of issued credit derivatives)		0.00
10	Reduction adjustment for issued credit derivatives		0.00
11	The amount of risk derivatives, taking into account the standards, in total (sum of lines 4, 5, 9 minus lines 6, 7, 10)		0.00
Risk on securities lending operations			
12	Requirements for securities lending operations (if excluding netting), in total		0.00
13	Adjustment for netting cash/collateral and (if applicable) for securities lending transactions		0.00
14	The amount of credit risk per counterparty for securities lending operations		0.00
15	The magnitude of the risk on guarantee operation of lending of securities		0.00
16	Securities lending requirements, as amended (in total) (sum of lines 12, 14, 15 minus line 13)		0.00
Credit contingent liability risk (CRL)			
17	Residual exposure on contingent credit commitments, in total		374665.00
18	Adjustment regarding the application of credit equivalent ratios		75504.00
19	Exposure of credit contingent liabilities, adjusted, in total (difference between lines 17 and 18)		299161.00
Capital and risks			
20	Fixed capital		225186.00
21	The amount of balance sheet assets and off-balance sheet assets at risk for calculating the leverage ratio, in total (sum of lines 3, 11, 16, 19)		541253.00
Financial leverage ratio			
22	Financial leverage ratio of a bank (D/E), banking group (D/E), percentage (line 20 ÷ line 21)		45.93

Section 3. Information on the calculation of the short-term liquidity ratio

Line number	Indicator name	Explanation number	Data as of 01.01.2021		Data as of 01.01.2021		Data as of 01.01.2021		Data as of 01.01.2021		Data as of 01.01.2021	
			amount of requirements (liabilities), thousand rubles	weighted value of requirements (liabilities), thousand rubles	amount of requirements (liabilities), thousand rubles	weighted value of requirements (liabilities), thousand rubles	amount of requirements (liabilities), thousand rubles	weighted value of requirements (liabilities), thousand rubles	amount of requirements (liabilities), thousand rubles	weighted value of requirements (liabilities), thousand rubles	amount of requirements (liabilities), thousand rubles	weighted value of requirements (liabilities), thousand rubles
1	2	3	4	5	6	7	8	9	10	11	12	13
1.1.1. QUALITY LIQUID ASSETS												
1	Highly liquid assets (HQA) subject to additional requirements, included in the numerator (25.027)		X		X		X		X		X	
2. EXPECTED CASH OUTFLOWS												
2	Funds of individuals, in total, including:											
3	stable funds											
4	variable funds											
5	Other funds raised without collateral, in total, including:											
6	operating deposits											
7	deposits not related to operating (other deposits)											
8	unsecured debt											
9	clients' funds raised against collateral		X		X		X		X		X	
10	Additionally expected cash outflows, in total, including:											
11	on derivative financial instruments and in connection with the potential need for additional collateral											
12	associated with loss of funding for secured debt instruments											
13	in the bank's obligation under unused irrevocable and conditionally revocable credit lines and liquidity lines											
14	Additionally expected cash outflows from other contractual obligations											
15	Additionally expected cash outflows from other contingent liabilities											
16	Total cash outflow (Line 2 + Line 5 + Line 9 + Line 10 + Line 14 + Line 15)		X		X		X		X		X	
3. EXPECTED CASH FLOWS												
17	For transactions of providing funds secured by securities, including reverse repo transactions											
18	Under contracts without violating the contractual deadlines for the fulfillment of obligations											
19	Other transactions											
20	Total cash inflow, in total (Line 17 + Line 18 + Line 19)											
4. TOTAL ADJUSTED VALUE												
21	HQA minus adjustments calculated taking into account the restrictions on the asset value of HQA-2B x QA-2		X		X		X		X		X	
22	Net expected cash outflow		X		X		X		X		X	
23	Short-term liquidity ratio of a banking group (LQR), credit institution (ICI), percentage		X		X		X		X		X	

Acting Deputy President

Eni Mitro

Chief Accountant

Silov A.B.

Head of department
Shchegolev A.S.

Gorchakova S.A.

25.03.2022

Check sum

Form 13 Section 1 : 19594
Form 13 Section 2.1 : 14739
Form 13 Section 2.2 : 11055
Form 13 Section 3 : 14925

Descriptor File version: 30X110.03.2022



Bank reporting		
Territory code by OKATO	Credit institution (branch) code by OKFO	Registration number (/sequence number)
45381000	171649603	3446

Cash flow report
(published form)
as of 01.01.2022

Full or abbreviated corporate name of the credit institution
Commercial Indo Bank (Limited Liability Company)
/ Commercial Indo Bank (LLC)

Address (location) of the credit institution
109147, Moscow, Marksistskaya st., 16

Form Code by OKFO 0409614

Quarterly (annual)

Line number	Article titles	Explanation number	Cash flows for the reporting period thousand rubles	Cash flows for the corresponding reporting period of the year preceding the reporting year thousand rubles
1	2	3	4	5
1	Net cash received from (used in) operating activities			
1.1	Cash received from (used in) operating activities before changes in operating assets and liabilities, in total, including:		500629	-236859
1.1.1	Interest received		662733	-158164
1.1.2	Interest paid		-14401	-20691
1.1.3	Commissions received		13363	12892
1.1.4	Commissions paid		-4551	-4355
1.1.5	Income less expenses from transactions with financial assets measured at fair value through profit or loss through other comprehensive income		14772	45940
1.1.6	Income less expenses transactions with securities measured at amortized cost		0	0
1.1.7	Income less expenses from operations with foreign currency		5632	22432
1.1.8	Other operating income		35273	942
1.1.9	Operating expenses		-141936	-89034
1.1.10	Tax expense (refund)		49834	-36881
1.2	(Increase)(decrease) in net cash from operating assets and liabilities, in total, including:		-2519680	207827
1.2.1	(Net increase)(decrease) in mandatory reserves in accounts with the Bank of Russia		96330	-263079
1.2.2	(Net increase)(decrease) in financial assets measured at fair value through profit or loss		0	0
1.2.3	(Net increase)(decrease) in loan debt		2307467	-2535428
1.2.4	(Net increase)(decrease) in other assets		-1000976	42581
1.2.5	(Net increase)(decrease) in loans, deposits and other funds of the Bank of Russia		0	0
1.2.6	(Net increase)(decrease) in funds from other credit institution		-1926312	1630944
1.2.7	(Net increase)(decrease) in customer accounts other than credit institutions		-4371641	3275685
1.2.8	(Net increase)(decrease) in financial liabilities measured at fair value through profit or loss		0	0
1.2.9	(Net increase)(decrease) in issued debt obligations		0	0
1.2.10	(Net increase)(decrease) in other liabilities		-16758	-52876
1.3	In total (sum of lines 1.1 и 1.2)		-1929261	1078969
2	Net cash received from (used in) investing activities			
2.1	Acquisition of financial assets measured at fair value		-3423003	-4667827
2.2	Revenues from the sale and redemption of financial assets measured at fair value through other comprehensive income		4467257	3019347
2.3	Purchase of securities measured at amortized cost		0	0
2.4	Revenues from redemption of securities measured at amortized cost		0	0
2.5	Purchase of property, plant and equipment, intangible assets and inventories		-44588	-2344

2.6	Proceeds from the sale of fixed assets, intangible assets and inventories		34982	0
2.7	Dividends received		0	0
2.8	In total, (sum of lines from 2.1 to 2.7)		1034648	-1050734
3	Net cash received from (used in) financing activities			
3.1	Contributions of shareholders to the authorized capital		0	0
3.2	Acquisitions of own shares redeemed from shareholders (participants)		0	0
3.3	Sale of own shares redeemed from shareholders (participants)		0	0
3.4	Dividends paid		0	0
3.4a	Payments made by the tenant to the settlement account for the reduction of lease liabilities		-18126	-6923
3.5	In total, (sum of lines from 3.1 to 3.4)		-18126	-6923
4	Impact of changes in foreign exchange rates established by the Bank of Russia on cash and cash equivalents		22284	21681
5	Increase (use) of cash and cash equivalents		-690455	835002
5.1	Cash and cash equivalents at the beginning of the reporting year	6.4	954348	119346
5.2	Cash and cash equivalents at the end of the reporting period	6.4	63893	954348

Acting Deputy President

Sen Nitesh

Chief Accountant

Silonov A.N.

Head of department
Phone: (495) 725-43-35

Grazhishkin S.A.

29.03.2022
Check sum :56146
Descriptor file version(.BAK):10.03.2022

**EXPLANATORY INFORMATION
TO ACCOUNTING (FINANCIAL) STATEMENTS
«COMMERCIAL INDO BANK»
LIMITED LIABILITY COMPANY
("COMMERCIAL INDO BANK" LLC) FOR 2021**

1. Introduction

Annual accounting (financial) statements (hereinafter referred to as – “annual statements”) and explanatory information to the annual statements (hereinafter referred to as – “explanatory information”) of “Commercial Indo Bank” Limited Liability Company (hereinafter referred to as – “Commercial Indo Bank” LLC or Bank) have been drawn up based on the rules for organizing and maintaining accounting records and drawing up accounting (financial) statements (hereinafter referred to as – “RAS”) in force in the Russian Federation and in accordance with the requirements of the following regulations of the Central Bank of the Russian Federation (hereinafter referred to as “Bank of Russia” или “Central Bank of the Russian Federation”):

- Bank of Russia Ordinance № 3054-U of September 4, 2013 “On the procedure for preparing annual accounting (financial) statements” (hereinafter referred to as “Ordinance № 3054-U”);
- Bank of Russia Ordinance № 4927-U of October 8, 2018 “On the list, forms and procedure for compiling and submitting reporting forms for credit institutions to the Central Bank of the Russian Federation” (hereinafter referred to as “Ordinance № 4927-U”);
- Bank of Russia Ordinance № 4983-U of November 27, 2018, “On the forms, procedure and timing of disclosure by credit institutions of information about their activities (hereinafter referred to as “Ordinance № 4983-U”).

The annual reports have been drawn up taking into account the analysis of the Bank's activities for 2020. Explanatory information is an integral part of the annual reporting. The notes to the statements contain information on the main operations of the Bank, an assessment of their impact on the obtained financial result, contains an overview of the areas of risk concentration, the Bank's strategy, includes comparable indicators of the current and previous reporting periods.

The annual statements are prepared in the currency of the Russian Federation, in thousands of Russian rubles, all assets and liabilities in foreign currencies are reflected in rubles at the official exchange rate of the corresponding foreign currency against the ruble established by the Bank of Russia at the reporting date.

The annual reports will be posted on the Bank's official website www.cibl.ru in the "Financial Statements" section.

When generating explanatory information, the Bank was guided by Ordinance No. 4983-U, as well as the requirements of IFRS and IFRS interpretations adopted by the IFRS Foundation, enacted in the Russian Federation (hereinafter referred to as “IFRS”).

2. General information about the Bank

Full corporate name: " Commercial Indo Bank" Limited Liability Company (hereinafter referred to as the Bank).

Abbreviated: "Commercial Indo Bank" LLC.

The name of the Bank was changed on January 20, 2014. Former name is “Commercial Bank of India”, LLC.

The legal address of the Bank: 109147, Moscow, Marksistskaya st., 16.

Contact phone: 8 (495) 735-43-35.

Requisites:

ITN	7744003342
Checkpoint MI FTS of Russia	
for the largest taxpayers №9 Moscow	997950001
Checkpoint of the Inspectorate of the Federal	
Tax Service of Russia No. 9 in Moscow	770901001
PSRN	1037711012998
BIC	044525500

correspondent account with the Main Department of the Bank of Russia
in the Central Federal District of Moscow 30101810400000000500

The bank was established in December 2003 as a joint venture between two commercial banks of the Republic of India with state participation - the State Bank of India (60%) and Canara Bank (40%).

The Bank is part of the banking group of the State Bank of India, whose share in the authorized capital of the Bank is 60%.

The State Bank of India has an extensive network of branches and representative offices, both in India and abroad.

"Commercial Indo Bank" LLC has no beneficial owner - an individual who owns directly or indirectly more than 25% of its capital, the ultimate controlling party of the Bank is the state of the Republic of India.

The Bank's activities are regulated by the Bank of Russia in accordance with the banking license No. 3446 dated October 28, 2013.

The Bank is not a member of the compulsory deposit insurance system approved by Federal Law No. 177-FL dated December 23, 2003 "On Insurance of Individual Deposits in Banks of the Russian Federation".

Founders of the Bank

Number i/n	Shareholder	Share Ownership, %		Change for the report- ing period, %
		As of 01.01.2022	As of 01.01.2021	
1	State Bank of India	60.0	60.0	0
2	Canara Bank	40.0	40.0	0
	Total	100	100	0

As of 01.01.2022 and as of 01.01.2021 there were no changes in the composition and structure of the owners and beneficiaries of the Bank in 2021 compared to the previous reporting period.

2.1. Information about the President and the composition of the Executive Committee of the Bank

Bank management as of 01.01.2022 is carried out by the sole executive body represented by the President of the Bank Sakha Surik.

The President of the Bank does not own any shares in the Bank.

As of 01.01.2022 the collegial executive body (Executive Committee) of the Bank includes the following persons:

1. Sakha Surik.
2. Silonov Andrey Nikolaevich..
3. Nikishina Anna Vladimirovna.

As of 01.01.2021 the collegial executive body (Executive Committee) of the Bank includes the following persons:

1. Pradeep.
2. Siwa Sangayah.
3. Silonov Andrey Nikolaevich.
4. Nikishina Anna Vladimirovna.

2.2. Information about the Board of Directors of the Bank

As of the 01.01.2022 the Bank's Board of Directors included the following persons:

1. Arora Rajiv (Chairman of the Board of Directors).
2. Sakha Surik (member of the Board of Directors).
3. Rath Biranchi Narayan (member of the Board of Directors).
4. Haranadh Patnaik Kuppili (member of the Board of Directors).
5. Goyal Salina (member of the Board of Directors).

As of the 01.01.2021 the Bank's Board of Directors included the following persons:

1. Naik Sanjay Dattatraya (Chairman of the Board of Directors).
2. Rajapur Subbaramaya Ramesh (member of the Board of Directors).
3. Pradeep (member of the Board of Directors).
4. Haranadh Patnaik Kuppili (member of the Board of Directors).
5. Viraswami Jayakumar (member of the Board of Directors).
6. Brahmandam Rama Sundara Satyanarayana (member of the Board of Directors).
7. Ratkh Biranchi Narayan (Member of the Board of Directors).

Members of the Board of Directors of the Bank and members of the Executive Body do not own any share in the authorized capital of the Bank.

The bank does not have separate (including on the territory of a foreign state) subdivisions as of 01.01.2022 and as of 01.01.2021.

Analytical Credit Rating Agency ACRA April 13, 2020 assigned the Bank an A (RU) credit rating with a "Stable" outlook, 08 April 2021 affirmed the credit rating at A(RU).

The bank is not a member of the compulsory deposit insurance system.

3. Brief description of the Bank's activities

3.1. Nature of operations and main lines business

In accordance with the Federal Law "On Banks and Banking Activities", the Bank is granted the right to carry out banking operations with funds in rubles and foreign currency:

1. Attraction of funds of legal entities in deposits (on demand and for a certain period).
2. Placement of funds attracted in deposits (on demand and for a certain period) of legal entities on their own behalf and at their own expense.
3. Opening and maintaining bank accounts of legal entities.
4. Implementation of money transfers on behalf of legal entities, including correspondent banks, through their bank accounts.
5. Collection of cash, bills, payment and settlement documents and cash services for individuals and legal entities.
6. Purchase and sale of foreign currency in cash and non-cash forms.
7. Issuance of bank guarantees.
8. Making money transfers without opening bank accounts, including electronic money (excluding postal transfers).

3.2. Key performance indicators and factors that influenced the financial results of the Bank in the reporting period

The COVID-19 pandemic has had a huge impact on the economic environment. Moreover, the pandemic had an extremely negative impact not only on the Russian economy, but also served as a factor in a sharp deterioration in the global macroeconomic situation. The COVID-19 pandemic had a particularly strong negative impact on economic activity in the first half (especially in the second quarter) of 2020. The quarantine and self-isolation regime has caused disruptions to production and trade and distribution chains, full or partial suspension of activities in a number of sectors of the economy, especially in the service sector and transport. The need for social distancing has led to a deformation of the labor market, especially in the field of small and medium-sized businesses. According to IMF estimates, as of early July 2020, global production losses as a result of a pandemic shock could amount to over \$ 12 trillion in two years (2020-2021). By the beginning of the third quarter of 2020, signs of a partial recovery in business activity after a deep recession appeared, especially in April-May. It was during these months that many countries used the most stringent measures for the voluntary and forced self-isolation of citizens. The positive effect of social distancing measures and selective government support for business and the population was manifested in late May - early June this year. Thus, thanks to the sanitary and medical measures taken and large-scale government support, the global decline in economic activity has slowed down, but only in some countries there are already weak signs of recovery growth. In July, following China, positive signs of improving business activity appeared in the United States, the Eurozone countries, Russia and a number of other countries.

But on the whole, the results of 2021 do not yet provide grounds for optimistic forecasts. The process of normalizing economic life will, in all likelihood, be quite lengthy due to the action of a number of factors. In particular, it will take some time to close the resulting gaps in the value chains. Along with this, geopolitical tensions, trade conflicts and the depressive state of most sales markets will restrain the restoration of export potential. The factor of insufficient effective demand, especially on the part of the population, is also essential, despite massive financial state support. This is evidenced by the current statistical data on the dynamics of the GDP of various groups of countries, including those that make a decisive contribution to the world economy. Already now, it can be said with a delivery degree of certainty that the failure of the Russian economy due to the virus and quarantine turned out to be less significant than in most developed and developing countries. However, the process of recovery of the Russian economy

may turn out to be more difficult, given the situation with the dynamics of real incomes of the population and the state of affairs in the energy market.

The depth of the recession was noticeably different by industry and sector of the economy. The most affected activities related to mass customer service. This also applies to many types of services, where individual entrepreneurs, small and medium-sized businesses are predominantly employed. One of the main factors behind the recovery in economic activity in June was the continued lifting of quarantine restrictions, which had the most positive impact on the indicators of the consumer market. Along with this, budget measures to support households and businesses had a positive impact on domestic demand in the second quarter of 2020. At the same time, it is not only the coronavirus pandemic that is holding back the recovery processes in the Russian economy. The instability of the situation in the global hydrocarbon market and restrictions on oil production under the OPEC + agreement continue to cause a tangible blow to the mining industry, as well as to the export potential and budget of the country. It is precisely the decline in the production of crude oil and natural gas to a decisive extent-the depth of the decline in this industry as a whole. According to Rosstat, the real disposable cash income of Russians (income minus obligatory payments, adjusted for the consumer price index) decreased. Thus, to date, business activity is in the process of gradual recovery and adaptation to the conditions of the emergency. The Government of the Russian Federation, the Bank of Russia and local authorities continue to implement a large-scale set of measures to socially protect citizens, support industries and sectors of the economy that find themselves in the most difficult situation. In the implementation of these measures, an important role is played by the monetary and financial policy of the state. The financial block of the Government and the Bank of Russia ensure, in conditions of increased risks, the maintenance of price stability, the fulfillment of budget obligations, the uninterrupted functioning of the national payment system and customer service throughout the perimeter of financial services. For 2021 the key rate was raised seven times - from 4.25 to 8.5%. When making this decision, the Bank of Russia proceeded from the fact that disinflationary factors continue to have a significant impact on inflation, and also taking into account the fact that after the decline in May-June, inflationary expectations of the population and businesses have generally stabilized. The decrease in the key rate indicates further easing of the monetary policy pursued by the Bank of Russia in the interests of stimulating business and consumer activity. Favorable conditions are emerging for a further reduction in interest rates in the interbank market, on loans to the population and non-financial organizations, including individual entrepreneurs, small and medium-sized businesses. First of all, this will affect the increase in the availability of mortgages, both due to a general reduction in interest rates, and thanks to preferential lending programs. The softening of the interest rate policy will help to reduce the yield on the OFZ market, which not only reduces the cost of servicing the government debt, but also creates conditions for a further reduction in interest rates in other segments of the financial market.

The result of the Bank's work in 2021 was the receipt of net profit in the amount of 62,587 thousand rubles, which is 32% less than the value of the same indicator for 2020 (91,533 thousand rubles). The work was provided with the main activities, such as lending to the real sector of the economy, investing in securities of issuers with a high level of reliability and ratings from leading international rating agencies, operational services for legal entities and individuals, including using high-tech remote service systems.

As of 01/01/2022, the amount of funds raised from legal entities of the Bank amounted to 2,750,787 thousand rubles and as of 01/01/2021 amounted to 4,127,365 thousand rubles, a decrease occurred by 33%, due to the expiration of the terms for placing funds in deposits.

As of 01.01.2022, the value of the Bank's assets, less provisions for impairment, amounted to 5,370,443 thousand rubles and decreased by 34% compared to the value as of 01.01.2021 and amounted to 8,194,293 thousand rubles in absolute terms.

In the structure of the Bank's assets, the main share is occupied by net loan debt and deposits of the Bank of Russia.

As of January 1, 2022, the amount of net loan debt amounted to 3,155,614 thousand rubles. Loan debt decreased by 30% compared to the value as of 01/01/2021 and in absolute terms amounted to 4,498,322 thousand rubles. The main borrowers of the Bank are enterprises of the real sector of the economy, as well as highly reliable credit institutions.

Funds placed with credit institutions account for 19%. The amount of investments in credit institutions increased by 103,996 thousand rubles, and compared to 01.01.2021 and amounted to 01.01.2022 1,013,383 thousand rubles. Mostly, these investments represent the placement of funds on correspondent accounts. A significant share of the Bank's net assets of 15% is invested in highly liquid securities with a low level of risk. As of January 1, 2022, the total value of the securities portfolio amounted to RUB 807,771 thousand, which is 65% less than RUB 2,289,015 thousand as of January 1, 2021.

Achieving and maintaining the level of sufficiency of the Bank's own funds necessary for the implementation of the set strategic goals is one of the priority tasks for the further development of the Bank as a universal financial and credit institution serving both small and medium-sized businesses and individuals.

As of 01.01.2022, the amount of the Bank's own funds amounted to 2,251,887 thousand rubles, having decreased by 4% compared to the value as of January 1, 2021 (RUB 2,155,904 thousand). The Bank has a significant stock of highly liquid assets. The values of mandatory liquidity ratios are observed with a significant margin to the limit values established by the Bank of Russia, which allows the Bank to fulfill all its obligations in a timely manner and in full.

For more than 18 years, the Bank has deservedly enjoyed the reputation of a reliable business financial partner.

3.3. Decisions on the distribution of net profit made following the consideration of the annual accounts.

In the period from 01/01/2021 and as of 01/01/2022, no decisions were made on the payment of dividends to the Bank's shareholders.

4. A brief overview of the basics of preparing the annual accounting (financial) statements and the main provisions of the Bank's accounting policy.

The Bank's accounting policy for 2021, as well as the Tax accounting policy for 2021, were formed on the basis and in accordance with the Federal Law of the Russian Federation dated 06.12.2011. № 402-FL "On accounting", the Tax Code of the Russian Federation, the Regulation of the Bank of Russia dated February 27, 2017. № 579-P "On the rules of accounting in credit institutions located on the territory of the Russian Federation", Provisions of the Bank of Russia dated December 22, 2014. № 446-P "On the procedure for determining income, expenses and other aggregate income of credit institutions", dated December 22, 2014. № 448-P "On the procedure for accounting for fixed assets, intangible assets, real estate, temporarily unused core activities, long-term assets intended for sale, stocks, means of labor and items of labor received under contracts of compensation, log, the purpose is not defined, in credit institutions" and from 15.04.2015. № 465-P "Industry standard of accounting for employee benefits in credit institutions", Regulations on the procedure for reflecting operations to raise funds under bank deposit (deposit) agreements, credit agreements, issuance and repayment (payment) operations on the accounts of credit institutions bonds, bills, deposit and savings certificates dated 02.10.2017 №

604-P, Regulations on the procedure for reflecting on accounting accounts by credit organizations of transactions for the placement of funds under credit agreements, transactions related to the implementation of transactions for the acquisition of the right of claim from third parties to fulfill obligations in cash, transactions on obligations under issued banking guarantees and the provision of funds from 02.10.2017. №605-P, Regulations on the procedure for reflecting operations with securities on accounting accounts by credit institutions dated 02.10.2017. № 606-P and other legislative acts.

The Bank's accounting policy is based on the following fundamental accounting principles:

- going concern, assuming that the Bank will continue its activity in the foreseeable future and it has no intentions and the need to liquidate;
- sequence of application of accounting policy, providing that the selected accounting policy will be applied consistently, from one reporting year to another.

Changes in accounting policy are possible in the event of reorganization of the Bank, changes in legislation or in the system of statutory regulation of accounting, in the event of a significant change in the conditions of the Bank's activities.

In order to ensure the comparability of accounting data, changes in accounting policies are introduced from the beginning of the financial year;

- constancy of accounting rules;
- reflection of income and expenses on an accrual basis. The financial results of operations (income and expenses) are reflected in the accounting records upon their completion, and not upon receipt or payment of cash (cash equivalents). Income and expenses are reflected in accounting in the period to which they relate;
- values and documents reflected in the accounting for balance sheet accounts are not reflected in off-balance sheet accounts, except for cases stipulated by regulations of the Bank of Russia.

In accordance with the Bank's accounting policy, income and expenses are recorded in accounting on an accrual basis. This principle means that the financial results of transactions (income and expenses) are reflected in the accounting records upon their completion, and not upon receipt or payment of cash (cash equivalents). Income and expenses are reflected in accounting in the period to which they relate. The output of the results of activities (profit, loss) is carried out annually. Income and expenses are reflected on the balance sheet on an accrual basis during the reporting year. The financial result of the past reporting year is transferred to the accounts for the accounting of profit and loss of previous years. Transactions in foreign currencies are recorded at the official exchange rate of the Bank of Russia in effect at the date of the transaction.

These principles have been applied consistently for all periods presented in the financial statements (unless otherwise indicated). There were no significant changes affecting the comparability of certain indicators of the Bank's activities in the Accounting Policy for 2020, with the exception of the requirements of the Bank of Russia. The national currency of the Russian Federation is the Russian ruble. The Bank's assets and liabilities are denominated in Russian rubles.

Criteria used to write off provisions for possible losses

Debt on loans is recognized as hopeless if the Bank has taken the necessary and sufficient legal and actual actions to collect it and to exercise the rights arising from the availability of collateral for the loan, in the presence of documents and (or) acts of authorized state bodies necessary and sufficient to make a decision to write off bad debts on a loan at the expense of a reserve formed for it, as well as when the Bank's estimated costs for carrying out further actions to collect bad debts on a loan and (or) for exercising rights arising from the availability of collateral on the loan will be higher than the result obtained.

The Bank writes off bad debts on loans at the expense of the formed reserve for the corresponding loan. At the same time, the accrued interest related to bad loans is written off. Bad debts and interest on loans are written off provided that the Bank has taken the necessary and sufficient legal and actual actions to collect the said debt.

4.2 Information on changes in the Bank's Accounting Policy for 2021

Amendments to Regulation № 579-P, as well as amendments to Regulation № 448-P in accordance with Ordinance № 5147-U dated May 22, 2019, and the requirements of the new industry standard for accounting for lease agreements were taken into account (Bank of Russia Regulation № 659-P "On the procedure for reflecting lease agreements by credit institutions in the accounting accounts "(hereinafter referred to as" Regulation № 659-P ")") in connection with the transition of credit institutions to IFRS 16" Leases "(hereinafter referred to as" IFRS 16 ») In accounting, in particular:

- the following accounting models have been established for the property received by the Bank as a lessee under lease agreements in order to apply IFRS 16. The cost criterion for classifying a low-value asset as a lease is set at RUB 350 thousand, excluding VAT. If the value of the underlying asset exceeds 350 thousand rubles, then this asset cannot be classified as a low-value asset.

4.3. Information on the nature and magnitude of significant errors

It also established materiality criteria for correcting identified errors in accounting. The definition of the concept of error is given, the concept of essential or insignificant error is disclosed. The materiality criterion is set at 5% of the total amount of income for the reporting year.

4.4. Events after the reporting date (EARD)

In accordance with Ordinance № 3054-U, events after the reporting date are recognized as the fact of the Bank's activities that occurs between the reporting date and the date of signing the annual statements and which has or may have a significant impact on its financial position at the reporting date and financial results of operations for the reporting year.

The Bank reflected only significant adjusting events after the reporting date related to the receipt after the reporting date of primary documents confirming income and expenses from transactions related to ensuring its activities, prior to the reporting date and (or) determining (clarifying) the cost of works, services, assets for such operations.

The materiality criterion for reflecting corrective events after the reporting date in accounting is not more than 5 percent of the amount reflected in the corresponding symbol of the statement of financial results for the reporting year, excluding events after the reporting date.

Adjusting events after the Bank's reporting date include:

- reflection of deferred taxes for 2021;
- transfer of balances from accounts for accounting for the financial result of the reporting year to accounts for accounting for the financial result of the last year;
- in the accounting records were reflected the SAT that arose in the calculation of income tax based on the results for 2021

5. Description of non-adjusting events after the reporting date that significantly affect the financial condition, the condition of the Bank's assets and liabilities and its consequences in monetary terms

There are no non-adjusting events after the reporting date for 2020 that have a material effect on the financial condition, the condition of the Bank's assets and liabilities, and on the assessment of its consequences in monetary terms.

5.1. No going concern uncertainty

At present, the international community is faced with an aggravation of global problems, in addition to the difficult epidemiological situation that has persisted in recent years, serious changes are likely in global markets due to geopolitical factors, which resulted in sanctions against the Russian financial system.

The financial condition of credit institutions in the Russian Federation, their compliance with regulatory requirements, maintaining a sufficient level of liquidity, will largely depend on the further macroeconomic situation, including the state of the stock markets, the business activity of clients, and the solvency of debtors for all types of financial instruments. Management believes that, taking into account the measures taken by the Bank of Russia to support the financial sector, the negative impact on the Bank's financial stability will not be material and will not result in any signs of reduced activity.

The conclusions of the Bank's management are based on the following:

Plans have been announced to increase cooperation between Russia and the Republic of India, in this direction the Government of the Russian Federation and the Bank of Russia are taking measures to switch to payments for goods and services supplied in the national currencies of Russia and India.

Given that our bank is the only Indian bank in Russia that specializes in servicing trade between Russia and India, new prospects are opening up for us to increase our client base and, as a result, increase liabilities and income, primarily for cash settlement and conversion services. It should also be noted that the Bank uses the support measure determined by the Bank of Russia in Ordinance No. 6074-U dated February 25, 2022 for accounting for a portfolio of securities purchased before February 18, 2022 at a price as of February 18, 2022. This measure allowed the Bank not to reflect the negative revaluation of securities during the period of financial market turbulence. At present, the Bank's management sees no negative trends in the Bank's activities.

Thus, as at the date of these financial statements, there are no doubts about the Bank's ability to continue as a going concern for the foreseeable future. It is currently not possible to predict more accurately the impact of the current geopolitical situation on the Bank's business processes.

5.2. Uncertainty in estimates

Preparation of reports in accordance with the requirements of banking legislation and regulations of the Bank of Russia requires management to implement a process for calculating estimated values, including an internal control system.

This is, first of all, the choice of an appropriate accounting policy, the definition of valuation procedures, including models and methods of calculation and valuation. Approaches to accounting estimates are based on an understanding of the Bank's main activities, accumulated practical experience and, as a rule, observable input data. Key assumptions are identified that may significantly affect estimates due to the presence of uncertainties regarding future events, as well as major other sources of uncertainty in estimates at the reporting date. This concerns, first of all, the generally accepted methodology for calculating expected credit losses, which includes such probabilistic predictive elements as: the probability of a counterparty default, the level of losses, and the amount exposed to the risk of losses.

The main sources of uncertainty associated with estimates as of 01/01/2022 are: the emergence of new information regarding the financial position of counterparties (borrowers, issuers, investors), unknown at the reporting date, other unforeseen circumstances in the activities of counterparties, caused, among other things, the consequences of a difficult geopolitical situation that affect future cash flows that are involved in the calculation of estimated values, changes in the macroeconomic conditions for doing business, leading to changes in the conditions for placing/attracting financial instruments.

As of the date of these accounting (financial) statements, the Bank's management does not see any negative impact of geopolitical risks on the Bank's activities. It is not possible to predict more accurately the impact of the likely implementation of uncertainty factors on the indicators of reporting items, including those characterizing the amount of equity (capital) and financial results.

6. Accompanying information to the balance sheet, statement of financial results , statement of changes in equity, statement of cash flows

6.1. Accompanying information to the balance sheet

6.1.1. Cash.

Indicator name	01.01.2022	Change	01.01.2021
Cash, including	14 453	2 038	12 415
Russian ruble	5 072	1 347	3 725
U.S. dollar	9 259	1 222	8 037
Euro	122	(531)	653

Information on cash in foreign currency is indicated in the ruble equivalent, calculated at the official exchange rate of the Bank of Russia established as of the reporting date.

6.1.1.1. Funds of a credit institution with the Bank of Russia.

As of January 1, 2022, the amount of funds on the correspondent account opened with the Bank of Russia amounted to 49,440 thousand rubles, and as of January 1, 2021, 31,636 thousand rubles.

6.1.1.2. Mandatory reserves on an account with the Bank of Russia.

	01.01.2022	Change	01.01.2021
Mandatory reserves on an account with the Bank of Russia	181 762	(96 330)	278 092

The Bank has restrictions on the use of cash and cash equivalents in terms of required reserves deposited with the Central Bank of the Russian Federation. There are no other restrictions on the use of cash and cash equivalents as of 01/01/2022 and 01/01/2021. In accordance with regulatory requirements, the Bank deposits the required reserves with the Bank of Russia. Interest is not charged on the amounts of required reserves.

6.1.1.3. Funds in credit institutions

This item takes into account the funds placed by the Bank on the NOSTRO accounts, as well as other placed funds not related to the loan and equivalent debt. As of 01.01.2022, the Bank reconciled the balances of funds placed on correspondent accounts, in a division of the Bank of Russia, in credit institutions, resident banks and non-resident banks. No discrepancy was found. Information on funds deposited with credit institutions is given in the table.

Indicator name	01.01.2022	Change	01.01.2021
Funds placed on correspondent accounts, including:	1 014 397	104 100	910 297
<i>In resident banks</i>	<i>25 849</i>	<i>(12 117)</i>	<i>37 966</i>
<i>In non-resident banks</i>	<i>973 548</i>	<i>113 229</i>	<i>860 319</i>
<i>Other funds deposited with credit institutions</i>	<i>15 000</i>	<i>2 988</i>	<i>12012</i>
Reserve	(1014)	(1 014)	0
<i>Adjustment of the allowance to the amount of the estimated allowance for expected credit losses</i>	<i>0</i>	<i>910</i>	<i>(910)</i>
Total	1 013 383	103 996	909 387

6.1.2. Financial assets at fair value measured through profit or loss.

As of 01.01.2022 and 01.01.2021 there are no financial assets.

6.1.3. Net loans and borrowings measured at amortized cost.

As of 01.01.2022, the amount of outstanding loans, measured at amortized cost, amounted to 4,498,322 thousand rubles. Net loans and advances are represented by amounts issued in Russian rubles and US dollars to Russian legal entities, individuals and interbank loans.

Loan and Equivalent Debt	01.01.2022	Change	01.01.2021
Deposits with the Bank of Russia	2 514 526	(1 540 474)	4 055 000
Interbank loans	0	0	0
Loan portfolio, including:	702 199	196 144	506 055
- <i>loans to individuals</i>	<i>47 904</i>	<i>21 866</i>	<i>26 038</i>
- <i>loans granted to legal entities</i>	<i>654 295</i>	<i>174 278</i>	<i>480 017</i>
<i>commissions on loan agreements</i>	<i>(1 509)</i>	<i>4 850</i>	<i>(6 359)</i>
Other allocated funds	203	201	2
Total	3 215 419	(345 638)	4 561 057

48

Reserve	(55 905)	(4 995)	(50 910)
Adjustment to estimated allowance for expected credit losses	(3 900)	1 566	(5 466)
Net loans and borrowings measured at amortized cost	3 155 614	(1 349 067)	4 504 681

The table below contains information on the qualification results by quality categories of loan and equivalent debt and overdue maturities as of 01.01.2021, as well as the estimated and actually created reserves.

Assets composition	Total credit requirements	The sum of the requirement for quality category 1	The sum of the requirement for quality category 2	The sum of the requirement for quality category 3	The sum of the requirement for quality category 4	The sum of the requirement for quality category 5	Overdue debt up to 30 days	Overdue debt from 31 to 90 days
Loan and equated debt of legal entities	480 017	73 371	242 430	110 325	53 840	51	0	0
Loan and equated debt of individuals	21 344	6 397	7 969	6 978	0	0	1 315	0

Estimated reserve	Formed reserve, total	Quality category 2	Quality category 3	Quality category 4	Quality category 5	Adjustment of the provision for possible losses
64 232	47 019	8 352	11 158	27 458	51	1 667
3 837	3 837	1 462	2 375	0	0	46

The Bank is constantly working to collect overdue debt. As of 01.01.2021 the amount of overdue loan debt is 1,315 thousand rubles. In the total volume of the loan portfolio, the share of overdue debt amounted to 0.1%. Overdue assets are the entire volume of an asset under a credit

agreement (credit line agreement) in case of failure to pay the principal and (or) interest on it within the term set by the agreement.

The table below contains information on the qualification results by quality category of loan and equivalent debt and overdue maturities as of 01.01.2022, as well as the estimated and actually created reserves.

Assets composition	Re-quire-ment amount	The sum of the re-quire-ment for quality category 1	The sum of the re-quire-ment for quality category 2	The sum of the re-quire-ment for quality category 3	The sum of the re-quire-ment for quality category 4	The sum of the re-quire-ment for quality category 5	Over-due debt up to 30 days	Over-due debt from 31 to 90 days	Over due debt over 180 days
Loan and equated debt of legal entities	654 295	70 425	530 665	32 249	20 941	15	0	0	0
Loan and equated debt of individuals	47 904	3 201	22 933	829	20 941	0	3 332	0	0

Estimated reserve	Formed reserve, total	Quality category 2 reserve	Quality category 3 reserve	Quality category 4 reserve	Quality category 5 reserve	Adjustment of the provision for possible losses
53 451	43 816	24 677	8 444	10 680	15	2 429
12 017	12 017	1 146	191	10 680	0	1 459

In 2021, one of the leading areas of activity is lending to enterprises operating in various sectors of the economy.

Main borrowers:

- wholesale and retail trade;

- transactions with real estate, rent and provision of services;
- other activities.

Indicator name	01.01.2022		01.01.2021	
	Loan debt	%	Loan debt	%
Loans to legal entities in total(including individual entrepreneurs), including by type of activity:	654 295	101	480 017	100
Transport and communication	0	0	29 930	6
Wholesale and retail trade, repair of vehicles, motorcycles, household goods and personal items	325 730	50	393 886	82
Real estate transactions, rent and provision of services	17 886	3	52 885	11
Wholesale trade in pharmaceutical products	238 879	37	0	0
Body of state administration and local self-government	0	0	0	0
Other activities	71 800	11	3 316	1
Of the total amount of loans provided to legal entities and individual entrepreneurs, loans to small and medium- sized businesses, of which:	453 304	69	296 065	62
To Individuals entrepreneurs	71 800	11	0	0

The main borrowers of the Bank are organizations whose main activity is wholesale and retail trade. Thus, as of January 1, 2022, borrowers engaged in wholesale and retail trade account for 82% of the total amount of loan debt provided to legal entity borrowers. The table below provides information on the distribution of loan debt by type of activity of the Bank's borrowers.

Information about the purpose of lending

Indicator name	01.01.2022		01.01.2021	
	Loan debt	Share in the total amount of loans,(in %)	Loan debt	Share in the total amount of loans,(in %)
Loans to legal entities in total (including individual entrepreneurs)	654 295	100	480 017	100
Including by types of loans provided:				
To replenish working capital	543 669	83	427 132	89
For the purchase of fix assets	89 685	14	52 885	11
Acquisition of claims on loans	20 941	3	0	0
Including by categories of borrowers:	654 295	100	480 017	100
Corporate business	200 991	31	480 017	100
Small and medium businesses	453 304	69	0	0

From the above data, it can be seen that the majority of clients - legal entities use the received loan funds to replenish working capital, the share of these loans is 89% as of 01/01/2021 and 83% as of 01/01/2022 to the total amount of loans issued to legal entities.

Clients - individuals use the received loan funds mainly for consumer purposes, the share of these loans is 97% of the total amount of loans issued to individuals as of 01.01.2022 and 81%-as of 01.01.2020.

In the reporting period, the Bank continued lending to individuals. Data on the distribution of outstanding loans by lending purposes are shown in the table:

Indicator name	01.01.2022		01.01.2021	
	Loan debt (thousand rubles)	Share in the total amount of loans, (in %)	Loan debt (thousand rubles)	Share in the total amount of loans, (in %)
Loans to individuals , total, Including by types:	47 904	100	21 344	100
consumer goals	46 546	97	17 332	81
mortgage loans	1 358	3	4 012	19

The bulk of the loan debt of individual borrowers falls on the staff of the Embassy of the Republic of India.

Information on the geographical origin of borrowers, the structure of overdue debt is presented in the following table:

Indicator name	01.01.2022		01.01.2021	
	Loan debt	Share in the total amount of loans, (in %)	Loan debt	Share in the total amount of loans, (in %)
By geographic affiliation	654 295	100	501 361	100
Moscow city	393 420	60	341 725	68
Moscow region	98 656	15	89 582	18
Ulyanovsk region	20 000	3	0	0
Republic of Sakha (Yakutia), Yakutsk	142 219	22	70 054	14

6.1.4. Net investment in financial assets measured at fair value through other comprehensive income

Indicator name	01.01.2022	Change	01.01.2021
Net investment in financial assets measured at fair value through other comprehensive income	807 771		2 289 015
<i>federal loan bonds (FLB)</i>	<i>807 771</i>	<i>(1 481 244)</i>	<i>922 449</i>
<i>Eurobonds of the Russian Federation</i>	<i>0</i>	<i>(1 366 566)</i>	<i>1 366 566</i>
<i>Reserve</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Adjustment of the allowance to the amount of the estimated allowance for expected credit losses</i>	<i>0</i>	<i>0</i>	<i>0</i>
Total	807 771	(1 481 244)	2 289 015

As of 01.01.2021, investments in financial assets measured at fair value through other comprehensive income include:

- FLB 26223 coupon yield 6.5%, maturity date 02.28.2028, FLB 26226 coupon yield 7.95%, maturity date 07.10.2026 and FLB 26227 coupon yield 7.4%, maturity date 17.07.2024;
- Russian Federation Eurobonds RUS 26 coupon yield 4.75%, maturity date 27/05/2026, RUS 27 coupon yield 4.25%, maturity date 23/06/2027, RUS 28 coupon yield 12.75%, maturity date 24/06/2028.

As of 01.01.2022, investments in financial assets measured at fair value through other comprehensive income included:

- FLB 26211 maturity date 25.01.2023 coupon yield 7% and FLB 26220 maturity date 07.12.2022 coupon yield 7.4%.
- there were no Eurobonds of the Russian Federation.

Information on the types of economic activities of issuers

Indicator name	01.01.2022	Change	01.01.2021
Public administration	807 771	(1 481 244)	2 289 015
Total	807 771	(1 481 244)	2 289 015

6.1.5. Net investments in securities and other financial assets, measured at amortized cost (except loan debts)

As of 01.01.2022 and 01.01.2021 there are no financial assets.

6.1.6. Investments in subsidiaries and dependent organizations

As of 01.01.2022 and 01.01.2021 there are no financial assets.

6.1.7 Information on the methods of valuation of assets and liabilities.

Methods for assessing the Bank's liabilities.

After initial recognition, the Bank records financial liabilities at amortized cost, which is determined in accordance with Appendix A of IFRS 9, except as provided in paragraph 4.2.1 of IFRS 9.

During 2021, the Bank reflected all liabilities at amortized cost.

Assets valuation methods.

Methods for evaluating purchased securities.

After initial recognition, the acquired securities are accounted for by the Bank at amortized cost, at fair value through other comprehensive income or at fair value through profit or loss in accordance with IFRS 9, except as otherwise provided in paragraph 4.1.5 IFRS 9 based on the business model used by the Bank for the management of securities and characteristics of the acquired securities related to the stipulated cash flows of the securities issue.

The Bank measures securities at amortized cost if both of the following conditions are met:

- the management of securities is carried out on the basis of a business model, the purpose of which is to receive cash flows provided for by the terms of the issue of securities;
- the terms of the issue of securities provide for the receipt on the indicated dates of cash flows, which are solely payments on account of the principal amount of the debt and interest on the outstanding part of the principal amount of the debt.

The Bank measures securities at fair value through other comprehensive income if both of the following conditions are met:

- the management of securities is carried out on the basis of a business model, the purpose of which is both to receive the cash flows provided for by the terms of the issue of securities and to sell the securities;

- the terms of the issue of securities provide for the receipt on the indicated dates of cash flows, which are solely payments on account of the principal amount of the debt and interest on the outstanding part of the principal amount of the debt.

Securities that have not been classified by the Bank into the category of securities measured at amortized cost or the category of securities measured at fair value through other comprehensive income are measured at fair value through profit or loss.

In the cases established by the Bank of Russia Regulation, Bank of Russia Regulation № 611-P dated October 23, 2017 "On the Procedure for Forming Potential Loss Reserves by Credit Institutions", the Bank creates reserves for potential losses for investments in securities.

The choice of the business model for the management of securities is carried out by the financial committee of the Bank.

Using the business model at fair value through other comprehensive income or fair value through profit or loss, the Bank determines the fair value of securities in accordance with International Financial Reporting Standard (IFRS) 13 Fair Value Measurement.

Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. At the same time, such a transaction is made between independent parties in transactions carried out in the ordinary course of business without signs of a forced transaction.

The valuation techniques used by the Bank to measure fair value include maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Inputs are the assumptions that market participants would use when pricing a particular asset or liability, including assumptions about risks, such as the following:

- the risk inherent in a particular valuation technique (for example, a pricing model) used to measure fair value; and
- the risk inherent in the inputs to a given valuation technique. Baseline data can be observable or unobservable.

Observable inputs are inputs that are derived from market information, such as publicly available information about actual events or transactions, and reflect the assumptions that market participants would use when pricing the related asset or liability.

In accordance with IFRS 13, in order to achieve the greatest consistency and comparability of fair value measurements and the information disclosed in relation to them, the Bank uses a fair value hierarchy, which provides for grouping the inputs included in the valuation techniques used to measure fair value into three levels.

I level of fair value measurement. The most reliable evidence of the fair value of an asset is quoted prices in an active market. These are data for financial instruments traded in an active market, the fair value of which can be determined based on current unadjusted market data.

Within Level 1, the emphasis is on defining the following:

- a primary market for the asset or liability or, in the absence of a primary market, the most advantageous market for that asset or liability;
- whether the entity can enter into a transaction for the asset or liability at the market price at the measurement date.

The initial data of Level 1 includes:

- quoted prices in major markets for this Financial Instrument
- data disclosed by other organizers of trades or information systems, the operators of which are professional participants in the securities market, carrying out activities to organize trading in the securities market.

II level of fair value measurement. In the absence of quoted prices for an asset in an active market, the following can be used:

- quoted prices for similar assets, as well as:
- other observable inputs (for example, yield curves, volatility and credit spreads for the asset).

The main qualification prerequisite for this Level 2 is that inputs that materially affect fair value are observable directly or indirectly in the open market (paragraph 81 of Appendix B to IFRS 13), excluding quoted prices classified as Level 1.

The initial data of Level 2 includes:

- quoted prices or yields for similar(not identical) financial instruments in active markets;
- quoted prices for identical or quoted securities in markets that are not active;
- other data observable for a financial instrument and confirmed by the market.

The initial data of Level 2 includes:

- use of prices from recent commercial transactions;
- use of the current fair value of similar instruments.

The sources of this data are external to the Bank.

III level of fair value measurement. In the absence of observable inputs for an asset, unobservable inputs may be used to measure the asset at fair value, assuming that there is risk inherent in the method used to measure the asset at fair value.

Level 3 includes historical data on assets similar to the one being assessed.

A valuation of an asset based on unobservable inputs that does not take into account the risk inherent in the inputs to the valuation technique is not a reliable estimate of fair value.

Sources of information for estimating fair value include:

- data of exchange trading systems;
- data from over-the-counter trading systems;
- data from regulators of the securities market (Central Bank of the Russian Federation ,regulators of other jurisdictions);
- data of the RF Ministry of Finance;
- data from independent organizations and associations (including estimates;
- data from associations of professional participants in the securities market and self-regulatory organizations and others);
- data of rating agencies;
- data from international organizations;
- information from the Federal Property Management Agency on the sale of shares owned by the Russian Federation;
- information and analytical systems(Bloomberg, Thomson Reuters , Ru Data Inter-fax);
- information received at the request of the Bank from a third party(proposals for the conclusion of transactions).The Bank mainly uses data from official sources.

For Eurobonds, the priority is given to information from the foreign market.

For securities traded on the organized Russian securities market and denominated in the currency of the Russian Federation, the Bank uses data from PJSC Moscow Exchange. The bank uses price quotes in order of priority and availability:

- weighted average price;
- closing price.

For non-resident securities, residents traded on the unorganized securities market, including Eurobonds of the Russian Federation, the reliably determined fair value is the closing price of the trading day (BGN price, and in its absence, the TRPS price (Thomson Reuters Pricing Service - TRPS Score) provided by the news agency Thomson Reuters. The TRPS level is a coefficient that takes values from 1 to 10 points, which aggregates an array of data (for example, data regularity, volume of transactions, number of market makers, analytical and financial data on the issuing company, etc.) for the corresponding financial instrument and allows you to draw conclusions about the quality of the market and the information available about the financial instrument.

All securities purchased in 2021 were accounted for by the Bank at fair value through other comprehensive income.

The Bank did not perform REPO (repurchase agreement) transactions in 2021.

Methods for evaluating financial assets other than securities.

After initial recognition, financial assets are carried at amortized cost, which is determined in accordance with Appendix A of IFRS 9, at fair value through other comprehensive income or at fair value through profit or loss, which is determined in accordance with IFRS 9, except as set out in paragraph 4.1.5 of IFRS 9, based on:

- the business model used by the Bank to manage financial assets;
- the characteristics of the financial asset related to the contractual cash flows.

Financial assets are measured by the Bank at amortized cost if both of the following conditions are met:

- the management of financial assets is carried out in the basis of a business model, the purpose of which is to obtain cash flows stipulated by the terms of the financial asset,
- the contractual terms of the financial asset give rise to cash flows on those dates that are solely payments of principal and interest on the principal outstanding.

Financial assets are measured by the Bank at fair value through other comprehensive income if both of the following conditions are met:

- the management of financial assets is carried out on the basis of a business model, the purpose of which is both to obtain the cash flows stipulated by the terms of the financial asset and to sell the financial asset,

- the contractual terms of the financial asset give rise to cash flows on those dates that are solely payments of principal and interest on the principal outstanding.

Financial assets are measured by the Bank at fair value through profit or loss, unless they are measured at amortized cost or fair value through other comprehensive income.

Post-initial recognition bank guarantee and cash flow liabilities are classified for accounting purposes in accordance with paragraph 4.2.1 of IFRS 9.

The Bank used the amortized cost method for accounting for outstanding loans.

6.1.8. Fixed assets, intangible assets and inventories

Information about the book value and amount of accumulated depreciation

Indicator name	Fixed assets
Residual value as of 01.01.2021	1 932
Book value as of 01.01.2021	9 854
Acquisition of fixed assets for 2021	5030
Disposals of property, plant and equipment for 2021	1605
Book value as of 01.01.2022	13 279
Depreciation as of 01.01.2021	7 922
Depreciation charges for 2021	1009
Disposal	1605
Depreciation as of 01.01.2022	7 326
Residual value as of 01.01.2022	5 953

6.1.8.1. Fixed assets

Fixed assets are accepted for accounting at their initial cost.

The historical cost of fixed assets acquired for a fee is the amount of the Bank's actual costs for the construction (construction), creation (manufacture) and acquisition of an item of fixed assets, excluding recoverable value added tax and other recoverable taxes.

The specific composition of the actual costs of construction (construction), creation (manufacture) and acquisition of fixed assets, as well as costs of delivery and bringing the facilities to a state of readiness for use, is determined by the Bank in accordance with the legislation of the Russian Federation.

The initial cost of fixed assets includes the contractual future costs of dismantling the fixed asset, liquidating the object and restoring the environment in the area occupied by it at a discounted cost.

Depreciation on fixed assets is accrued on a straight-line basis.

Depreciation on fixed assets is accrued on a straight-line basis.

For the subsequent assessment of fixed assets, the Bank selects the following accounting model in relation to a group of similar fixed assets:

- at historical cost less accumulated depreciation and accumulated impairment losses- for all groups.

The established accounting model for each group of homogeneous fixed assets is applied to all fixed assets included in this group.

Revaluation of fixed assets is not performed.

The costs of major repairs and technical inspections are recognized as a part (component) of the fixed asset only in relation to regular significant costs (more than 10% of the total cost of the object, and (or) if the costs increase the service life of the fixed asset) arising at certain intervals time over the useful life of an item of property, plant and equipment.

The Bank estimates the future costs of fulfilling obligations for dismantling, liquidation of the facility and restoration of the environment in the area it occupies, provided for by the relevant agreement, and are included in the initial cost of fixed assets in order to reimburse them during the period of use of this facility. The future costs of meeting the obligations to dismantle, abandon the facility and restore the environment in the area occupied by it are to be recognized as a non-credit provision with a provision for a non-credit provision. Obligations to dismantle, abandon the facility and restore the environment on the site occupied by it are carried at discounted value using a pre-tax discount rate that takes into account the existing conditions in the financial market and specific risks for such obligations, which are not taken into account when calculating future costs of meeting them. At the end of each reporting year, the obligations to dismantle, liquidate the facility and restore the environment in the area occupied by it are subject to verification by the Bank to identify events that affect their assessment. In 2020, the Bank did not have fixed assets for which, in accordance with contractual obligations, the Bank had an obligation to dismantle, liquidate the facility and restore the environment in the area it occupied.

The estimated residual value for items of property, plant and equipment is revised at the end of each reporting year.

Annually, as of the end of the last calendar day of the reporting year, as well as in the event of events that materially affect the valuation of fixed assets, the Bank checks these objects for impairment. If there is any indication of possible impairment, the Bank shall determine the recoverable amount of each item of property, plant and equipment.

Annually, as of the end of the last calendar day of the reporting year, the Bank revises the method of calculating depreciation and useful lives for items of fixed assets. The depreciation method used should reflect the expected pattern of consumption by the Bank of the future economic benefits from the asset. The method of calculating depreciation chosen by the Bank is approved in the Accounting Policy.

Class name of fixed assets	Minimum CFI, months	Maximum CFI, months
Road transport	37	37
Computer Engineering	25	37
Furniture	37	61
Office equipment	25	61
Other fixed assets	37	61
Strongboxes	241	241
Special banking equipment	37	85

Information about the revaluation of fixed assets.

As of 01.01.2022 and 01.01.2021, the revaluation of fixed assets was not carried out.

Information about the value of fixed assets pledged as security for obligations.

Items of fixed assets as of 01.01.2022 and 01.01.2021 were not pledged as collateral.

Information on the existence of restrictions on ownership of fixed assets, including real estate.

As of 01.01.2022 and 01.01.2021 there is no real estate owned by the Bank.

Information on the amount of contractual obligations for the purchase of fixed assets.

As of 01.01.2022 and 01.01.2021, the Bank has not concluded contracts for the purchase of fixed assets.

Non-current assets held for sale.

As of 01.01.2022 and 01.01.2021, the Bank has no long-term assets held for sale.

6.1.8.2. Intangible assets

Intangible assets are accepted for accounting at their initial cost. The historical cost of an intangible asset is recognized as an amount calculated in monetary terms, equal to the amount of payment in cash or other form or the amount of accounts payable paid or accrued upon acquisition, creation of an intangible asset and provision of conditions for the use of an intangible asset in accordance with the intentions of the Bank's management.

The specific composition of expenses for the acquisition and creation of an intangible asset, as well as expenses not to be included in such expenses, is determined in accordance with the legislation of the Russian Federation and regulations of the Bank of Russia.

Revaluation of intangible assets is not performed.

For the subsequent measurement of all groups of intangible assets, the accounting model is used at cost less accumulated depreciation and accumulated impairment losses. This accounting model applies to all intangible assets in each group.

Depreciation is charged on a straight-line basis.

Intangible assets with indefinite lives and intangible assets that have not been brought to suitability for their intended purposes are not amortized, but are mandatorily tested annually for impairment (regardless of whether there is any indication of possible impairment).

Annually, as of the end of the last calendar day of the reporting year, as well as in the event of events that materially affect the valuation of intangible assets, the Bank checks these objects for impairment. If there is any indication of possible impairment, the Bank is required to determine the recoverable amount of each item of intangible assets.

Annually, as of the end of the last calendar day of the reporting year, the Bank revises the method of calculating depreciation and useful lives for intangible assets. The depreciation method used should reflect the expected pattern of consumption by the Bank of the future economic benefits from the asset. The method of calculating depreciation chosen by the Bank is approved in the Accounting Policy.

Carrying amount, accumulating depreciation and impairment losses in the current and previous reporting dates

Name of a group of intangible assets	Book value as of 01.01.2022	Accumulated de- preciation	Amount of im- pairment loss
Non-exclusive software rights(licenses)	0	0	0
Investments in the creation and acquisition of intangible assets	24757	3342	0
Total	24 757	3 342	0

Name of a group of intangible assets	Book value as of 01.01.2021	Accumulated de- preciation	Amount of im- pairment loss
Software(exclusive rights)	0	0	0

Non-exclusive software rights(licenses)	16 609	1 974	0
Total	16 609	1 974	0

Classification of intangible assets by useful lives.

Name of a group of intangible assets	Minimum SFL, months	Maximum SFL, months	Indefinite term
Non-exclusive software rights(licenses), including	60	300	0
- non-exclusive software rights(licenses)	0	0	0

6.1.9. Information regarding real estate temporarily not used in the main activity.

Real estate temporarily unused in the main activity is property (part of property) (land plot or building, or part of a building, or both), held (held) by the owner or lessee as an asset in the form of a right of use and intended (intended) to receive lease payments (except for payments under financial lease (leasing) agreements, income from the increase in the value of this property, or both, but not for use as a means of labor in the provision of services, for administrative purposes, in order to ensure safety, environmental protection, as well as in cases stipulated by sanitary and hygienic, technical and operational and other special technical standards and requirements, the sale of which during The Bank is not planning 12 months from the date of classification as property temporarily unused in its core business.

The types of real estate that are temporarily unused in the main activity are determined in accordance with paragraph 8 of the International Financial Reporting Standard (IAS) 40 "Investment Property".

This accounting model will be applied consistently to all real estate temporarily unused in the main activity objects.

For a property that is temporarily not used in its main activities, carried at historical cost less accumulated depreciation and accumulated impairment losses, the Bank estimates the future costs of meeting obligations to dismantle, liquidate the property and restore the environment on the site it occupies and includes them in its initial cost so that the Bank could reimburse them during the period of use of this object, even if such costs will be incurred only after the end of its use.

The value of properties temporarily unused in the main activity, carried at cost less accumulated depreciation and accumulated impairment losses, is repaid through depreciation.

The depreciable amount is defined as the initial cost of real estate, temporarily unused in the main activity, minus the estimated residual value.

The estimated residual value of a property that is temporarily unused in its core business is the amount that the Bank would have received at the current moment from the disposal of the property after deducting the estimated disposal costs when the property reaches the end of its useful life.

If the estimated liquidation value of a property that is temporarily unused in its core business is insignificant based on the materiality criteria approved in the accounting policy, the Bank does not take it into account when calculating the depreciable amount of the property.

The useful life of real estate items temporarily unused in the main activity is determined by the Bank upon their recognition.

Depreciation on a property that is temporarily not used in the main activity starts from the date of recognition of the object as property that is temporarily unused in the main activity.

No depreciation is charged on land plots.

Temporarily unused property carried at historical cost less accumulated depreciation and accumulated impairment losses is subject to an impairment test at the end of each reporting year.

During 2021, the Bank had no balances and no transactions with real estate that was temporarily unused in its core business.

6.1.10. Information on lease operations.

Leases are accounted for by the Bank in accordance with the International Financial Reporting Standard (IFRS) 16 "Leases", as well as in accordance with the Regulation of the Bank of Russia dated 12.11.2018 № 659-P "On the procedure for reflecting lease agreements on the accounts by credit institutions" ...

A contract as a whole or its individual components is a lease if the contract transfers the right to control the use of an identified asset for a specified period in exchange for consideration. At the moment of entering into the agreement, the Bank assesses whether the agreement as a whole or its separate components is a lease agreement.

The Bank defines the lease term as a non-terminating lease period together with:

- (a) the periods for which the right to renew the lease is provided, if it is reasonably certain that the Bank will exercise this right; and
- (b) periods for which the right to terminate the lease is provided, if it is reasonably certain that the Bank will not exercise that right.

When assessing whether there is sufficient confidence that the Bank will exercise the right to extend the lease, or that the Bank will not exercise the right to terminate the lease, the Bank takes into account all relevant facts and circumstances that give rise to an economic incentive to exercise the right to extend the lease or not exercise the right to terminate the lease.

In accordance with paragraph 5 of IFRS16, the Bank decided to apply the exemptions provided for:

- (a) short-term leases; and
- (b) a lease for which the underlying asset is of low value.

As a short-term lease, the Bank classifies leases under which, at the commencement date of the lease, the intended lease term is not more than 12 months.

The determination of the lease term under an agreement containing a clause on the Bank's right to extend the lease term, or on the Bank's right to early terminate the lease, is determined in accordance with the above principles.

A lease that contains the right to purchase the underlying asset at the end of the lease term is not a short-term lease.

The conclusion about the low value of the asset is made on an absolute basis. The underlying asset can be of low value only if:

- (a) the Bank can benefit from the use of the underlying asset, either alone or together with other resources to which the Bank has free access; and
- (b) the underlying asset is not highly dependent or closely related to other assets.

A lease of an underlying asset does not qualify for classification as a lease of a low-value asset if the asset is new. It also does not meet the criteria for classifying a low-value asset as a lease if the value of the underlying asset exceeds RUB 350 thousand.

For short-term leases or leases in which the underlying asset is of low value, the lease payments are recognized by the Bank as an expense on a straight-line basis over the lease term.

At the commencement date of the lease, the right-of-use asset is assessed by the Bank at historical cost determined in accordance with paragraph 24 of IFRS16. The cost of the right-of-use asset must include:

- the amount of the initial measurement of the lease liability at the present value of the lease payments that have not yet been settled at that date;
- lease payments on or prior to the commencement date of the lease, net of lease incentive payments received;
- any initial direct costs incurred by the Bank;
- an estimate of the costs that will be incurred by the Bank in dismantling and moving the underlying asset, restoring the site on which it is located, or restoring the underlying asset to the condition required in accordance with the lease terms.

At the commencement date of the lease, the lease liability is measured at the present value of the lease payments. Lease payments are discounted using the interest rate stipulated in the lease. If it is impossible to calculate the interest rate specified in the lease agreement, the interest rate on the borrowed funds of the Bank is used, and the Bank can also use the key rate of the Bank of Russia.

Subsequent to initial recognition, right-of-use assets related to property, plant and equipment are measured using the cost model less accumulated depreciation and accumulated impairment losses.

If right-of-use assets belong to a group of property, plant and equipment to which the revaluation model is applied, the Bank decided not to apply the revaluation model to right-of-use assets that belong to such group of property, plant and equipment. In this case, right-of-use assets are measured using the cost model less accumulated depreciation and accumulated impairment losses.

On subsequent accounting, the lease liability is measured by the Bank as follows:

- the carrying amount of the lease liability is increased by the interest on the lease liability;
- the carrying amount of the lease liability is reduced by the amount of lease payments made;
- the carrying amount of the lease liability is re-measured to reflect changes in lease payments in the event of a change in the lease term or a change in the measurement of the right to enter into a sale and purchase agreement for the underlying asset.

After the commencement date of the lease, the following are recognized in profit or loss (unless costs are included in the carrying amount of another asset using other applicable standards):

- interest on the lease liability;
- variable lease payments that are not included in the measurement of the lease liability in the period of which an event or condition occurs that triggers those payments.

The interest on the lease liability in each period over the lease term is the amount obtained by applying a discount rate to the outstanding lease liability.

Interest expense on the lease liability is accrued using the EIR(effective interest rate) method, where the interest rate on borrowed funds determined by the lease agreement or determined by the Bank is used as the EIR.

As of 01.01.21 the Bank had two lease agreements for real estate recognized as long-term.

- one lease agreement for real estate with a remaining period of 2 years, the asset value of 3,374 thousand rubles , accrued depreciation 1,127 thousand rubles; total net asset value of 2,247 thousand rubles .

- one lease agreement for real estate with a remaining term of 3 years, asset value 49,099 thousand rubles , accrued depreciation RUB 12,300 thousand; total net asset value 36,799 thousand rubles.

Under these agreements, the total amount of interest by the Bank as part of expenses for 2020 amounted to 6,228 thousand rubles.

As of 01.01.22 the Bank had two lease agreements for real estate recognized as long-term.

- real estate lease agreement, asset value 3,374 thousand rubles, accrued depreciation 2,250 thousand rubles, total net asset value 1,124 thousand rubles.

- real estate lease agreement, asset value 37 204 thousand rubles, accrued depreciation 2 451 thousand rubles, total net asset value 34 753 thousand rubles.

- real estate lease agreement, asset value 37 204 thousand rubles, accrued depreciation 1 875 thousand rubles, total net asset value 35 329 thousand rubles.

- real estate lease agreement, asset value 2 653 thousand rubles, accrued depreciation 262 thousand rubles, total net asset value 2 391 thousand rubles.

Under lease agreements, the total amount of interest recognized by the Bank as an expense for 2021 amounted to 5,706 thousand rubles.

Operating lease.

The Bank has three operating lease agreements as of 01.01.2021. The value of underlying assets received in short-term leases, as well as underlying assets of low value, is recorded by the Bank in off-balance sheet accounts. The value of assets reflected in off-balance sheet accounts as of 01.01.2021 amounted to 39,474 thousand rubles. Rent for short-term lease and lease of assets with a low value for 2020 2 797 thousand rubles.

The Bank has three operating lease agreements as of 01.01.2022. The value of underlying assets received in short-term leases, as well as underlying assets of low value, is recorded by the Bank in off-balance sheet accounts. The value of assets reflected in off-balance sheet accounts as of 01.01.2022 amounted to 16,454 thousand rubles. Rent for short-term lease and lease of assets with a low value for 2021 1362 thousand rubles.

The Bank does not have lease agreements without the right to early termination. The Bank has no sublease agreements. The bank did not lease property during 2020.

6.1.11. Information about the methods and assumptions used to determine fair value.

Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. At the same time, such a transaction is made between independent parties in transactions carried out in the ordinary course of business without signs of a forced transaction.

The main signs of a forced operation (but not limited to those listed below):

- the need for immediate disposal of the financial instrument;
- the presence of financial difficulties;

- lack of time to sell them;
- the presence of only one potential buyer as a result of imposed legal and time constraints;
- a significant excess of the number of offers over demand. Different levels of supply and demand in the market are not always a determining factor in compulsory transactions, since the seller may have financial difficulties, but he nevertheless has the opportunity to sell financial instruments at market prices, provided there is more than one potential buyer in the market and sufficient time for sales. Bankruptcy transactions are not recommended to be considered automatically compulsory.

The Bank is guided by the following basic principles of valuation of inputs to determine fair value:

- valuation techniques used to measure fair value should maximize the use of relevant observable inputs and minimize the use of unobservable inputs;
- examples of markets in which inputs may be observable include foreign exchange markets, dealer markets, intermediary markets, and principal-to-principal markets;

- in many cases, the transaction price will be equal to the fair value (for example, this situation may occur when, at the date of the transaction, the transaction to purchase an asset is carried out in the same market in which this asset would be sold) (paragraph 58 of IFRS (IFRS) thirteen);

when deciding whether the fair value at initial recognition is equal to the transaction price, the Bank takes into account factors specific to this transaction and to this asset or liability (paragraph 59 of IFRS (IFRS) 13);

- verification of the transaction price to ensure that the price may not represent the fair value of the asset or liability at initial recognition (paragraph B4 of Appendix B to IFRS (IFRS) 13) is carried out by considering these factors in forming professional judgment.

In accordance with IFRS (IFRS) 13, in order to achieve the greatest consistency and comparability of fair value measurements and the information disclosed in relation to them, the Bank uses the following fair value hierarchy, which provides for a grouping of inputs included in the valuation techniques used to measure fair value, over three levels.

I level of fair value measurement. The most reliable evidence of the fair value of an asset is quoted prices in an active market.

These are data for financial instruments traded in an active market, the fair value of which can be determined based on current unadjusted market data.

Within Level 1, the emphasis is on defining the following:

- a primary market for the asset or liability or, in the absence of a primary market, the most advantageous market for that asset or liability;
- whether the entity can enter into a transaction for the asset or liability at the market price at the measurement date.

The initial data of Level 1 includes:

- quoted prices in major markets for this Financial Instrument
- data disclosed by other organizers of trades or information systems, the operators of which are professional participants in the securities market, carrying out activities to organize trading in the securities market.

II level of fair value measurement. In the absence of quoted prices for an asset in an active market, the following can be used:

- quoted prices for similar assets, as well as;
- other observable inputs (for example, yield curves, volatility and credit spreads for the asset).

The main prerequisite for classification for this level 2 is that inputs that have a significant effect on fair value are observable directly or indirectly in the open market (paragraph 81 of Appendix B to IFRS 13), excluding price quotations attributed to Level 1.

The initial data of Level 2 includes:

- quoted prices or yields for similar (not identical) financial instruments in active markets;
- quoted prices for identical or similar securities in markets that are not active;
- other data observable for a financial instrument and confirmed by the market;

The initial data of Level 2 includes:

- use of the prices of recent commercial transactions;
- use of the current fair value of similar instruments.

The sources of these data are external to the Bank.

III level of fair value measurement. In the absence of observable inputs for an asset, unobservable inputs may be used to measure the asset at fair value, assuming that there is risk inherent in the method used to measure the asset at fair value.

Level 3 includes historical data on assets similar to the one being assessed.

A valuation of an asset based on unobservable inputs that does not take into account the risk inherent in the inputs to the valuation technique is not a reliable estimate of fair value.

The Bank's accounting policy provides that if the fair value of financial liabilities or financial assets at initial recognition differs significantly from the transaction price for the purchase of securities, the Bank reflects the difference between the fair value and the transaction price in accounting for income or expense accounts. The materiality criteria developed by the Bank taking into account paragraph 7 of IAS 1 have been approved in the accounting policy.

During 2021, the Bank did not have transactions concluded on non-market terms. For all financial liabilities and financial assets, fair values are measured reliably. In all cases, the Bank determines fair value based on observable data, a level 1 advantage.

6.1.12 Information on the volume, structure and changes in the value of other assets

Other assets	01.01.2022	01.01.2021	Change
Financial assets	9 996	5 912	4 084
- settlements with currency and stock exchanges	3297	5949	(2 652)
- settlements with other debtors	7 627	9 312	(1 685)
- other assets	0	2	(2)
<i>Provision for possible losses</i>	<i>(925)</i>	<i>(9 345)</i>	8 420
<i>Adjustment of the allowance to the estimated allowance for expected credit losses</i>	<i>(3)</i>	<i>(6)</i>	3

65

Non-financial assets	2123	1036	1 087
- taxes	2123	1036	1 087
<i>Provision for possible losses</i>	0	0	0
Total other assets less allowance for potential losses and allowance	12 119	6 948	5 171

During the reporting period, a reserve was created for other assets in accordance with Bank of Russia Regulation № 611-P, as well as the Bank's internal Regulation "On the Procedure for Forming Provisions for Possible Loss". There are no long-term receivables expected to be settled in the period exceeding 12 months from the reporting date.

6.1.12.1 Information on other assets by types of currencies

Other assets	01.01.2022	Russian Rubles	US Dollars	Euro
Financial assets	9 996	9 996	0	0
- settlements with currency and stock exchanges	3 297	3 297	0	0
- settlements with other debtors	7 627	7 627	0	0
<i>Provision for possible losses</i>	(925)	(925)	0	0
<i>Adjustment of the allowance to the estimated allowance for expected credit losses</i>	(3)	(3)	0	0
Non-financial assets	2 123	2 123	0	0
- taxes	2 123	2 123	0	0
<i>Provision for possible losses</i>	0		0	0
Total other assets less provision for potential losses and estimated provision	12 119	12 119	0	0

6.1.12.2. Information about other assets broken down by terms remaining to maturity.

Other assets	01.01.2022	01.01.2021	Change
Up to 30days	3 297	6555	(3 258)
From 30 to 180 days	9 750	2 612	7 138
From 181 to 365 days	0	7133	(7 133)
<i>Provision for possible losses</i>	(925)	(9346)	8 421
<i>Adjustment of the allowance to the estimated allowance for expected credit losses</i>	(3)	(6)	3
Total other assets less provision for potential losses and estimated provision	12 119	6 948	5 171

6.1.13. Information about the balance of funds on the accounts of the Bank.

As of 01.01.2022 and 01.01.2021, the Bank has no loans, deposits, or other funds raised from the Central Bank of the Russian Federation.

6.1.14. Information about the balances of funds on clients' accounts.

As of 01/01/2022, customer funds amount to 2,952,552 thousand rubles, as of 01/01/2021, 5,832 348 thousand rubles, a decrease of 49% is due to the expiration of the term of attracted funds.

The structure of funds placed on clients' accounts is shown in the table:

Indicator name	01.01.2022	Change	01.01.2021
Funds of credit institutions	201 765	(1 503 218)	1 704 983
Funds of customers other than credit institutions	2 750 787	(1 376 578)	4 127 365
<i>Including individual entrepreneurs</i>	5 473	(18 325)	23 798
Total	2 952 552	(2 879 796)	5 832 348

Funds of customers that are not credit institutions by currency:

Indicator name	01.01.2022	In rubles	In U.S. dollars	In Euro
Funds of customers other than credit institutions	2 750 787	1 700 195	1 031 282	19 310
<i>Including individual entrepreneurs</i>	5 473	546	3 494	1 433

Indicator name	01.01.2021	In rubles	In U.S. dollars	In Euro
Funds of customers other than credit institutions	4 127 365	3 370 649	751 951	4 765
<i>Including individual entrepreneurs</i>	23 798	4 042	19 751	5

Information on the balances of funds of clients of legal entities by type of economic activity:

Indicator name	01.01.2022
Production of pharmaceutical substances	1 622 942
Education	344 152
Mining	169 447
Wholesale trade in pharmaceutical products	168 981
Activities of extraterritorial organizations and bodies	115 939
Activities of agent specializing in the wholesale trade of other selected types of goods	110 934
Wholesale and retail trade in motor vehicles and motorcycles and their repair	59 832
Other activities	47 109
Manufacture of plastic products for packaging goods	28 165
Provision of transportation services	19 319
Computer software productions	13 914
Production of electric equipment	10 349
Farm poultry breeding	9 340
Renting and managing own or leased real estate	8 163
Wholesale trade	7 299
Diamond processing	5 061
Retail trade, except for motor vehicles and motorcycles	5 026
Activities for the provision of other business support services	1 628
Metal processing and coating of metals	1 226

Tea and coffee production	655
Production of precious metals	449
Wholesale non-specialized trade in food, beverages and tobacco products	385
Activities of travel agencies	339
Food and beverage activities	92
Manufacture of computers, electronic and optical products	16
Other activities of information services	15
Provision of other financial services	6
Manufacture of machinery and equipment not included in other groups	4
Funds of clients that are not credit institutions	2 750 787

Indicator name	01.01.2021
Coal mining	1 872 568
Production of medicines and materials used for medical purposes	1 196 323
Wholesale trade, except for the wholesale trade of motor vehicles and motorcycles	450 706
Education	336 540
Activities of extraterritorial organizations and bodies	114 233
Advertising activities and market research	29 231
Crop and livestock production, hunting and related services in these areas	21 897
Manufacture of machinery and equipment not included in other categories	21 159
Manufacture of electrical equipment	18 421
Wholesale and retail trade in motor vehicles and motorcycles and their repair	18 179
Land and pipeline transport activities	9 146
Retail trade, excluding trade in motor vehicles and motorcycles	7 520
Activities in the field of architecture and engineering and technical design; technical testing, research and analysis	6 866
Manufacture of finished metal products, except for machinery and equipment	6 731
Manufacture of rubber and plastic products	5 130
Manufacture of other finished goods	4 270
Real estate operations	3 734
Development of computer software, consulting services in this area and other related services	2 468
Food production	1 060
Activities of travel agencies and other organizations providing services in the field of tourism	883
Other activities	300
Funds of customers other than credit institutions	4 127 365

6.1.15. Financial liabilities measured at fair value through profit or loss

As of 01.01.2022 and 01.01.2021 the Bank has no financial liabilities measured at fair value through profit or loss.

6.1.16. Debt securities issued

As of 01.01.2022 and 01.01.2021, the Bank has no issued debt securities.

6.1.17. Information on other liabilities.

Indicator name	01.01.2022	Change	01.01.2021
Financial liabilities	545	(1 820)	2 365
- settlements on issued bank guarantees	436	(950)	1 386
- other liabilities	94	93	1
- unfinished calculations	0	0	0
- other liabilities	15	(963)	978
Non-financial liabilities	75 493	33 017	42 476
- accrued liabilities for annual paid vacations(short-term and long-term),insurance premiums for long-term liabilities	3251	(1 155)	4 406
- calculations for taxes and fees, social insurance	117	87	30
lease obligations	72 125	34 085	38 040
Total other liabilities	76 038	31 197	44 841

6.1.17.1 Information on other liabilities broken down by terms remaining to maturity.

Other liabilities	01.01.2022	01.01.2021	Change
Poste restante	0	3 845	(3 845)
Up to 30 days	1	1569	(1 568)
From 30 to 180 days	108	0	108
From 181 to 365 days	3 804	1 386	2 418
Over a year	72 125	38 041	34 084
Total other liabilities	76 038	44 841	31 197

6.1.17.2. Information on other liabilities by types of currencies.

Indicator name	01.01.2021	Rubles	U.S. dollars	Euro	Other currencies
Financial liabilities	2 365	2019	251	90	5
- settlements on issued bank guarantees	1386	1082	229	75	0
- other liabilities	1	1	0	0	0
- other liabilities	978	936	22	15	5

Non-financial liabilities	42 476	42 476	0	0	0
- accrued liabilities for annual paid vacations(short-term and long-term),insurance premiums for long-term liabilities	4406	4406	0	0	0
- calculations for taxes and fees, social insurance	30	30	0	0	0
lease obligations	38 040	38 040	0	0	0
Total other liabilities	44 841	44 495	251	90	5

Indicator name	01.01.2022	Rubles	U.S. dollars	Euro
Financial liabilities	545	333	198	14
- settlements on issued bank guarantees	436	238	198	
- other liabilities	94	94		
- other liabilities	15	1		14
Non-financial liabilities	75 493	75 493	0	0
- accrued liabilities for annual paid vacations(short-term and long-term),insurance premiums for long-term liabilities	3251	3251	0	0
- calculations for taxes and fees, social insurance	117	117	0	0
lease obligations	72 125	72 125	0	0
Total other liabilities	76 038	75 826	198	14

6.1.18. Contingent liabilities of the Bank.

6.1.18.1. Information on provisions - non-credit provisions.

As of 01.01.2022 and 01.01.2021, the Bank does not have a reserve - a non-credit estimated liability.

6.1.18.2. The table below summarizes the Bank's contingent liabilities:

Indicator name	01.01.2022	01.01.2021	Change
Unused lines of credit	167 737	148 407	19 330
Issued guarantees	217 380	105 107	112 273
<i>Provision for possible losses on contingent credit commitments</i>	<i>(10 449)</i>	<i>(10 846)</i>	397
<i>Adjustment of the allowance to the estimated allowance for expected credit losses</i>	<i>(598)</i>	<i>(8 187)</i>	7 589
Total credit related commitments less allowance for potential losses	374 668	242 668	132 000
Total credit related commitments less estimated allowance for expected credit losses	374 070	234 481	139 589

The main purpose of credit related commitments is to ensure that funds are available to customers when required. The total amount of undrawn loan commitments and guarantees does

not necessarily represent future cash requirements as these commitments may expire or be canceled without providing funds to borrowers. Guarantees represent irrevocable assurances that the Bank will make payments in the event that a customer cannot meet its obligations to third parties.

6.1.19. Information on the size and changes in the size of the authorized capital.

The authorized capital of the Bank as of 01.01.2022 and 01.01.2021 is 1,115,267 thousand rubles. There was no change in the amount of the authorized capital during 2021.

There is no share premium as of 01.01.2022 and 01.01.2021

The reserve fund as of 01/01/2022 is 10 507 thousand rubles ,as of 01.01.2021it was 5 930 thousand rubles ,The increase occurred by 4 577 thousand rubles.

6.2. Accompanying information to the Statement of financial results.

6.2.1. Interest income

Indicator name	Data for 2021	Change	Data for 2020
Interest income, total, including:	262 762	49 038	213 724
<i>From placing funds in credit institutions</i>	<i>161 635</i>	<i>97 493</i>	<i>64 142</i>
<i>From loans to customers other than credit institutions</i>	<i>61 267</i>	<i>(2 465)</i>	<i>63 732</i>
<i>From the provision of services for financial lease(leasing)</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>From investments in securities</i>	<i>39 860</i>	<i>(45 990)</i>	<i>85 850</i>

6.2.2. Interest expenses.

Indicator name	Data for 2021	Change	Data for 2020
Interest expenses, total, including:	65 777	28 401	37 376
<i>On attracted funds from credit institutions</i>	<i>3 205</i>	<i>(5 124)</i>	<i>8 329</i>
<i>On attracted funds on clients who are not credit institutions</i>	<i>62 572</i>	<i>33 525</i>	<i>29 047</i>
<i>On issued securities</i>	<i>0</i>	<i>0</i>	<i>0</i>

6.2.3 Fee and commission income.

Indicator name	Data for 2021	Change	Data for 2020
Fee and commission income.	13 363	471	12 892
Credit institutions and non-resident banks	90	70	20
Legal entities and legal entities –non-residents, except for credit institutions and non-resident banks	262	(988)	1 250
Individual entrepreneurs	4	(20)	24
Credit institutions and non-resident banks	0	(222)	222

Legal entities and legal entities –non-residents, except for credit institutions and non-resident banks	1 858	0	1 858
Individual entrepreneurs	14	6	8
On bank accounts on behalf of credit institutions and non-resident banks	244	14	230
On bank accounts on behalf of legal entities and legal entities –non-residents, except for credit institutions and non-resident banks	4 448	(903)	5 351
On bank accounts on behalf of individual entrepreneurs	40	10	30
Without opening bank accounts, including electronic money, by citizens(individuals) and individuals-non-residents	2 174	116	2 058
With credit institutions and non-resident banks	15	(385)	400
With legal entities and legal entities –non-residents, except for credit institutions and non-resident banks	4 046	2 638	1 408
With individual entrepreneurs	168	168	0
credit institutions and non-resident banks	0	(33)	33

6.2.4. Commission expenses.

Indicator name	Data for 2021	Change	Data for 2020
Commission expenses.	4 551	196	4 355
<i>Commission expenses on transactions with foreign exchange values</i>	1 036	129	907
<i>Expenses for opening and maintaining bank accounts</i>	242	42	200
<i>Expenses for settlement and cash services</i>	424	(111)	535
<i>Expenses for money transfer services, including services of payment and settlement systems</i>	405	282	123
<i>Expenses on received bank guarantees and sureties</i>	778	655	123
<i>Commission expenses for the provision of intermediary services under brokerage and similar agreements</i>	773	(578)	1 351
<i>Other commission expenses</i>	893	(223)	1 116

6.2.5. Information about losses and reversals of impairment losses for each type of asset.

Indicator name	Data for 2021	Change	Data for 2020
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Change in the reserve for possible losses on loans, loan and equivalent debts, funds, placement on accounts, as well as accrued interest income, total, including:	(36 908)	(19 383)	(17 525)
<i>Change in the allowance for potential losses and the estimated allowance for expected credit losses on accrued interest income</i>	(374)	(323)	(51)
Change in the reserve for possible losses and estimated allowance for expected credit losses on securities measured at fair value through other comprehensive income	0	(2 054)	2 054
<i>Change in provision for possible losses on securities available for sale</i>	0	0	0
Change in the reserve for possible losses and estimated allowance for expected credit losses on securities measured at amortized cost	0	0	0
<i>Change in provision for possible losses on securities held to maturity</i>	0	0	0
Change in provision on other losses	9 289	7 454	1 835

The Bank regularly assesses the available pledged funds for the funds provided and claims arising from transactions with financial instruments. If there are signs of impairment of such claims due to non-fulfillment or improper fulfillment by the borrower of obligations, or the existence of a real threat of such non-fulfillment (improper fulfillment), the Bank creates provisions for the impairment of such assets.

6.2.6. Information on net income from transactions with financial assets.

Indicator name	Data for 2021	Change	Data for 2020
Net income from transactions with securities measured at fair value through other comprehensive income	11 355	(34 201)	45 556

6.2.7. Information on net income from foreign exchange transactions.

Indicator name	Data for 2021	Change	Data for 2020
Net income from foreign exchange transactions	5 632	(16 800)	22 432

Net income from foreign currency revaluation	7 134	(2 745)	9 879
Net profit/loss on foreign exchange transactions	12 766	(19 545)	32 311

6.2.8. Information about the main components of tax expense(income)

Indicator name	Data for 2021	Change	Data for 2020
Taxes and fees attributable to expenses in accordance with the legislation of Russian Federation, including:			
- VAT, paid for goods and services	6 777	885	5 892
- Transport tax	18	(3)	21
- State duty	39	19	20
Total	6 834	901	5 933
Income tax, including:			
- Income tax taxed at the rate of 20%	4 780	(353)	11 133
- Income tax on government securities taxed at the rate of 15%	5 531	(4 895)	10 426
- Deferred tax liability/ (deferred tax asset)	12 360	14 221	(1 861)
Total	22 671	2 973	19 698
Total tax expense	29 505	3 874	25 631

Bank of Russia Regulation № 409-P dated November 25, 2013 "On the Procedure for Accounting for Deferred Tax Liabilities and Deferred Tax Assets" (hereinafter referred to as Regulation 409-P) defines, in particular, the procedure for calculating temporary differences, which can be of two types:

- taxable, resulting in the formation of deferred income tax, which should increase the amount of income tax payable to the budget system of the Russian Federation in future reporting periods;
- deductible, resulting in the formation of deferred income tax, which should reduce the amount of income tax payable to the budgetary system of the Russian Federation in future reporting periods.

In sections 1.5-1.6. provisions 409-P provide definitions of deferred tax assets and liabilities.

Deferred tax liability means the amount of income tax payable to the budgetary system of the Russian Federation in future reporting periods in respect of taxable temporary differences.

Deferred tax asset means the amount of income tax recoverable in future reporting periods in relation to:

- deductible temporary differences;
- losses carried forward not used to reduce income tax.

In section 1.8. provisions 409-P deferred tax liabilities are reflected in passive balance sheet account № 61701 "Deferred tax liability", deferred tax assets - on active balance sheet accounts № 61702 "Deferred tax asset for deductible temporary differences" and № 61703 "Deferred tax asset for transferred future losses".

6.2.9. Information on the amount of expenses for payment of benefits to employees

The total amount of remuneration paid and included in the "Operating expenses" line of the income statement is presented as follows:

Indicator name	Data for 2021	Change	Data for 2020
Employee benefits	82 647	18 453	64 194
Taxes and fees	13 406	2 174	11 232
List of personnel(people)	35	3	32

Employee benefits include short-term employee benefits (including compensation and incentive payments) and termination benefits (termination benefits).

Below is information regarding members of the Bank's executive bodies and other employees performing risk-taking functions:

Indicator name	Data for 2021		Data for 2020	
	Executive committee	Risk-bearing employees	Executive committee	Risk-bearing employees
Number(people)	4	3	4	3
Short-term employee benefits	18 199	5 946	18 199	5 502
Personal Income Tax	2 365	773	2 365	715

6.2.10. Income and expenses for the settlement of litigation (income in case of positive decisions, expenses in case of negative decisions)

During 2021 and 2020, the Bank did not participate in litigation with legal entities and individuals.

6.2.11. Information on the amount of the total comprehensive income of the Bank

Indicator name	Data for 2021	Change	Data for 2020
Taxes and fees attributable to expenses in accordance with the legislation of Russian Federation, including:			
- VAT, paid for goods and services	6 777	885	5892
- Transport tax	18	(3)	21
- State duty	39	19	20
Total	6 834	901	5 933
Income tax, including:			
- Income tax taxed at the rate of 20%	4 780	(6 353)	11 133
- Income tax on government securities taxed	5 531	(4 895)	10 426

<i>at the rate of 15%</i>			
- <i>Deferred tax liability/</i> <i>(deferred tax asset)</i>	12 360	14 221	(1 861)
Total	22 671	2 973	19 698
Total tax expense	29 505	3 874	25 631

For 2021 and 2020, dividends were not calculated or paid.

6.3. Information to the Statement of Changes in Equity.

Changes in equity for the reporting period were due to profit received for 2021, revaluation adjustments for securities measured at fair value through other comprehensive income, an increase in the reserve fund, recovery of estimated reserves for expected credit losses and profit carry-over for 2021.

Indicator name	Book value of capital instruments as of 01.01.2022	Total comprehensive income of the Bank for 2021	Book value of capital instruments as of 01.01.2021
Shareholders' funds	1 115 267	0	1 115 267
Reserve fund	10 507	4 577	5 930
Revaluation of securities measured at fair value through other comprehensive income	712	(25 862)	26 574
Estimated allowance for expected credit losses	0	0	0
Undistributed profits	1 202 982	58 010	1 144 972
Total	2 329 468	36 725	2 292 743

The change in the line " Undistributed profits " in the table above is the sum of the profit received at the end of 2021.

6.4. Information to the Cash Flow Statement.

Information on the results of reconciliation of the amounts in the statement of cash flows with similar items in the balance sheet for cash and cash equivalents

Indicator name	Cash flow statement data for 2021	Balance sheet data as of 01.01.2022
Cash	12 415	12 415
Funds of a credit institution with the Central Bank of the Russian Federation, including:	309 728	309 728
<i>Required reserves</i>	<i>(278 092)</i>	<i>(278 092)</i>
Funds in credit institutions	909 387	910 297

Cash and cash equivalents as of 01.01.2021	953 438	954 348
Cash	14 453	14 453
Funds of a credit institution with the Central Bank of the Russian Federation, including:	231 202	231 202
<i>Required reserves</i>	<i>(181 762)</i>	<i>(181 762)</i>
Funds in credit institutions	1 013 383	1 014 397
Cash and cash equivalents as of 01.01.2022	1 077 276	1 078 290

The composition of cash and cash equivalents in the statement of cash flows excludes the required reserves with the Central Bank of the Russian Federation and assets for which there is a risk of loss.

Information about significant investment and financial transactions that do not require the use of cash.

During 2021 and 2020, the Bank did not carry out investment and financial transactions that did not require the use of funds.

Quantitative and qualitative information about the objectives and policies for managing risks associated with financial instruments. Information about money management.

7. Quantitative and qualitative information on the objectives and policies of risk management associated with financial instruments. Information about money management.

7.1. Information about the structure of own funds (capital).

Implementation of the Bank's ICAAP includes calculating the capital required to cover all banking risks, checking the functioning of risk management mechanisms, assessing the adequacy and effectiveness of the ICAAP's internal control system, etc.

The Bank operates a system for managing its own funds (capital).

In order to determine the amount of capital required to cover claims in relation to each of the risks significant for the Bank, the Bank determines:

- risks for which capital requirements will be determined by quantitative methods. The quantitative capital requirements are determined by the Bank for credit, market, operational risks;

- risks for which the capital requirement will not be determined by quantitative methods. At the same time, the coverage of possible losses from their implementation will be carried out by allocating a certain amount of capital to cover them, and risks will be limited by other methods (by setting limits).

With regard to significant financial risks, the current capital requirement or the total (total) amount of capital required by the Bank is determined using two methods: *the basic approach method and the balance approach method*, taking into account the comprehensive stress testing of the Bank's financial indicators.

According to the baseline approach, the total amount of capital required by the Bank in relation to banking risks is determined using the principle of proportionality by multiplying the Bank's quantitative Risk Appetite by the average capital value over the last 12 months. According to the calculated data, the total amount of required capital as of 01.01.2022 using the basic method amounted to 428 892.35 thousand rubles, which is 729 697.73 thousand rubles, less than

the planned (target) level of the Bank's capital, planned in the Bank's Development Strategy, and by 1 822 668.65 thousand rubles, less than the internal capital of the Bank.

According to the balance sheet approach, the calculation is based on the aggregate uncovered risk for groups of assets, defined as the product of the value of the corresponding asset and the risk coefficient reflecting the likelihood of economic losses (accumulated and expected) for the corresponding types of transactions. The Bank determines the following risk ratios for each balance sheet item used in the calculation: for each asset item, the average risk level is calculated, equal to the ratio of the total uncovered risk to the indicator of income-generating assets (IGA) or non-income-generating assets (NIGA) (depending on the classification of balance sheet assets as income-generating or non-income generating).

The total amount of required capital according to the balance method, taking into account stress testing, as of 01/01/2022 amounted to 314,133.77 thousand rubles, which is 844,456.31 thousand rubles less than planned in the Development Strategy of the Bank, and 1,937,427.23 thousand rubles, less than the internal capital of the Bank.

In order to assess the capital adequacy, the Bank has established a procedure for correlating the current capital requirements of the Bank (the largest indicator is selected from the calculated ones using the balance sheet and basic methods) and the amount of internal capital available to it that is available to it.

The Bank's own funds as of the analyzed date are considered *sufficient* if:

- the indicator of the current capital requirement of the Bank is less than the value of equity (capital) as of the analyzed date;
- during the monitoring process, there was an excess of the Bank's own funds (capital).

The Bank's own funds as of the analyzed date are considered *insufficient* if:

- the indicator of the current capital requirement of the Bank is greater than the value of equity (capital) as of the analyzed date;
- during the monitoring process, there was a deficit of the Bank's own funds (capital).

The current capital requirement of the Bank, taking into account stress testing as of 01.01.2021, amounted to 1,225,765.27 thousand rubles. Thus, the Bank's capital fully covers the overall current risk of the Bank.

These procedures will allow the Bank to control the levels of banking risks, capital adequacy, as well as compliance with mandatory standards.

As of 01.01.2021 there were no violations of indicative limits in relation to capital allocation and approximations to the signal values, capital redistribution is not required, the Bank's equity (capital) of the year was recognized as *sufficient*.

The objectives of capital adequacy management are:

- ensuring capital adequacy to cover significant risks;
- ensuring the financial stability of the Bank, minimizing possible financial losses from the impact of the risks assumed by the Bank in accordance with the Bank's Development Strategy;
- compliance with the requirements of the state bodies of the Russian Federation that regulate the Bank's activities;
- adherence to international standards and best practices in the field of banking / financial regulation.

The main objectives of the capital adequacy management system are:

- identification and assessment of the materiality of types of banking risks;
- setting limits and restrictions on significant risks;
- compliance with the mandatory ratios and restrictions established by the Bank of Russia;
- capital planning based on the results of a comprehensive assessment of significant risks, stress testing of the Bank's stability in relation to internal and external risk factors, benchmarks of the Bank's Business Development Strategy, and the Bank of Russia requirements for capital adequacy;
- ensuring a unified understanding of planning, taking into account the level of accepted risk;
- informing the management of the Bank, collegial bodies and subdivisions performing functions related to the acceptance and management of risks about significant risks and capital adequacy.

When determining the planned (target) capital level, the planned capital structure, the planned (target) level of capital adequacy, the Bank proceeds from the assessment of the current capital requirement required to cover significant risks, and also takes into account the possible need to attract additional capital and the available sources of its attraction for coverage of significant risks, taking into account the guidelines for business development, planned (target) risk levels and the target structure of the Bank's risks established by the Bank's Development Strategy.

The composition of the sources of the capital at the Bank's disposal, in addition to the sources included in the calculation of the total amount of equity funds (capital), established by Bank of Russia Regulation № 646-P dated 04.07.2018 "On the Methodology for Determining the Amount of Equity Funds (Capital) of Credit Institutions ("Basel III") (hereinafter - Regulation № 646-P), other sources may also be included, such as unrealized income (adjusted for unrealized expenses) in terms of assets (liabilities) reflected in accounting not at fair value, planned income. Moreover, such sources should be available to cover losses from the realization of risks. In order to control the adequacy of its own funds (capital), the Bank establishes procedures for the allocation of capital through a system of limits by areas, types of significant risks (in particular, credit, market) and divisions performing functions related to risk taking (divisions providing lending to corporate and retail clients in terms of credit risk, treasury and other divisions engaged in transactions with securities, foreign exchange and derivative financial instruments in terms of market and interest rate risks).

According to the monitoring of capital allocation limits in 2021, there were no violations of capital allocation limits by business areas and divisions of the Bank (deviations were within the acceptable margin of error). The individual actual ROE of the divisions was higher than planned. There was no need to reallocate capital in 2021.

The total sources of the Bank's own funds according to the data of form 0409806 as of January 1, 2022 amounted to 232 9467 thousand rubles. The Bank maintains the level of adequacy of its own funds (capital) at a level that corresponds to the nature and volume of operations carried out by the Bank.

The table below shows the regulatory capital based on the Bank's reports prepared in accordance with the requirements of Russian legislation, namely, with the requirements of the Bank of Russia Regulation № 646-P dated 04.07.2018 "On the Methodology for Determining the Amount of Equity (Capital) of Credit Institutions ("Basel III"):

Date	Capital size	Increase/decrease	Increase/decrease, in %
01.01.2021	2 155 904	45 735	2.12%
01.01.2022	2 251 886	95 982	4.26%

The Bank's own funds (capital) adequacy ratio (N1.0) as of January 1, 2022, according to the data of Form 0409813, amounted to 86.056%, while the minimum allowable value, taking into account the prudential requirements of the Bank of Russia and the Bank's internal documents, is 12%, which indicates the Bank's stable position at background of an unfavorable external environment. Economic standards N1.1, N1.2 and N1.0 established by the Instruction of the Bank of Russia dated November 29, 2019 No. 199-I "On mandatory ratios and allowances for capital adequacy ratios of banks with a universal license" (hereinafter - Instruction No. 199- I), were performed throughout 2021, which is reflected in the form 0409813 published by the Bank and in the following table:

Indicator name	Normative value	Actual value as of 01.01.2022	Actual value as of 01.01.2021
	in %		
Base capital adequacy ratio of the Bank (N1.1)	>4.50	84.905	44.571
Fixed capital adequacy ratio of the Bank (N1.2)	>6.00	84.905	44.571
Own funds(capital) adequacy ratio of the Bank (N1.0)	>8.00	86.056	46.491

There are no innovative, complex or hybrid capital instruments of the Bank.

7.1.Information about the risk management system.

Organization of the risk management system, key performance indicators of the Bank.

The Bank has formed an effective risk management system, the work of which is based on the following principles:

- proportionality and unity of methodological approaches to risk management,
- awareness and involvement in risk management,
- documentary regulation of operations related to risk,
- independence of the risk management division,
- multistage risk level control,
- improving the risk management system,
- automation of risk management
- multi-level limitation of accepted risks,
- forward-looking risk management,
- compliance with the requirements of the Bank of Russia for risk management and capital adequacy of the Bank,
- sufficiency, completeness and timeliness of reporting
- an integrated approach to risk and capital adequacy management,

The purpose of banking risk management is:

- ensuring/maintaining an acceptable level of risks within the Risk Appetite and/or other limits and restrictions;

- ensuring capital adequacy to cover significant risks;
- ensuring the financial stability of the Bank, minimizing possible financial losses from the impact of the risks assumed by the Bank in accordance with the Bank's Development Strategy;
- compliance with the requirements of the state bodies of the Russian Federation regulating the Bank's activities;
- adherence to international standards and best practices in the field of banking/financial regulation.

The main tasks of the banking risk management system are:

- identification and assessment of materiality of types of banking risks;
- assessment, aggregation and forecasting of the level of significant risks;
- setting limits and restrictions on significant risks;
- monitoring and control over the volumes of accepted risk, implementation of measures to reduce the level of accepted risk of the Bank in order to maintain it within the established external and internal restrictions;
- compliance with the mandatory ratios and restrictions established by the Bank of Russia;
- ensuring efficient allocation of resources to optimize the ratio of risk and profitability of the Bank;
- capital planning based on the results of a comprehensive assessment of significant risks, stress testing of the Bank's stability in relation to internal and external risk factors, benchmarks of the Bank's Business Development Strategy, Bank of Russia requirements for capital adequacy;
- ensuring a unified understanding of planning, taking into account the level of accepted risk;
- informing the management of the Bank, collegial bodies and subdivisions performing functions related to the acceptance and management of risks about significant risks and capital adequacy.

In order to develop ICAAP, decisions on the choice of methods and procedures for risk and capital management are taken by the Bank independently, based on the principle of proportionality, which states that credit institutions whose activities are not related to the implementation of complex transactions can use simpler methods and procedures for capital management and risks.

In accordance with the recommendations of the Basel Committee, the Bank determines the following approaches applied to the assessment of various types of risks when calculating capital adequacy:

Risk type	Calculation method
Credit risk	A standardized approach
Market risk	A standardized approach
Operational risk	Basic indicative approach

The priority areas of the Bank's activities are comprehensive servicing of clients of small and medium-sized businesses, corporate clients and operations with securities. As part of the service, the Bank offers settlement services, loan products, bank guarantees, including in favor of customs authorities, support of foreign economic activities of legal entities.

The structure of the risk and capital management bodies of the Bank:

- General meeting of participants;
- Board of directors;
- President;
- Executive committee;
- Financial committee;
- Credit committee;

- Lending department;
- Risk management service;
- Internal audit service;
- Internal control service;
- Responsible person for AML/SFT;
- Heads of the Bank's divisions.

The functions of the risk and capital management bodies are implemented through a system of powers and decision-making, which is designed to ensure the proper functioning of the risk and capital management system of the Bank, giving it the required flexibility combined with stability at each management level.

In the field of internal procedures for assessing capital adequacy (hereinafter - ICAAP), the Bank has developed the following internal documents:

Risk and capital management strategy of the Bank

- Methodology for determining the materiality of banking risks in the Bank;
- Regulation on the assessment of the aggregate risk in the Bank;
- Regulation on the assessment of the adequacy of own funds (capital) in the Bank;
- Regulations on the assessment of the results of the Bank's ICAAP implementation;
- The procedure for establishing and revising limits, signal values in the area of ICAAP in the Bank;
- Regulation on the assessment of risks for the owners of the Bank;
- Policy on management of operational risk in the Bank;
- Policy on liquidity risk management in the Bank;
- Policy on credit risk management in the Bank;
- Concentration risk management policy in the Bank;
- Policy on interest rate risk management in the Bank;
- Policy on currency risk management in the Bank;
- Policy on management of stock and commodity risks in the Bank;
- Policy on market risk management in the Bank;
- Policy on country risk management in the Bank;
- Policy on managing the risk of loss of business reputation in the Bank;
- Policy on legal risk management in the Bank;
- Policy on strategic risk management in the Bank;
- Regulation on stress testing at the Bank;
- Methodology for analyzing liquidity risk in the Bank;
- Methodology for analyzing credit risk in the Bank;
- Methodology for analyzing concentration risk in the Bank;
- Methodology for analyzing interest rate risk in the Bank;
- Methodology for analyzing currency risk in the Bank;
- Methodology for analyzing stock and commodity risks in the Bank;
- Methodology for analyzing market risk in the Bank;
- Methodology for analysis of country risk in the Bank;
- Methodology for analyzing the risk of loss of business reputation in the Bank;
- Methodology for the analysis of legal risk in the Bank;
- Methodology for the analysis of strategic risk in the Bank;
- Methodology for analyzing operational risk in the Bank;

- Instructions for maintaining analytical databases of the implementation of operational risks in the Bank;
- other internal documents of the Bank regulating the ICAAP system, including banking risk management system.

Determination of the significance (materiality) of banking risks, risk appetite of the Bank.

Risk appetite is determined by the Bank's Risk and Capital Management Strategy at the Bank's level in the context of the Bank's activities. Risk appetite is defined as a combination of quantitative and qualitative indicators.

The quantitative indicators include the following indicators characterizing certain types of significant risks:

- the ratio of the volume of provisions for possible losses required to the formation of reserves to risk-weighted credit requirements;
- volumes of provisions for possible losses in the context of portfolios of credit requirements;
- levels of probability of default and losses in relation to classes (segments) of credit claims;
- for interest rate risk - the sensitivity of the interest margin to fluctuations in market rates, the cost of capital to fluctuations in market rates;
- for market risk - the amount of capital required to cover losses from changes in the value of financial instruments;
- for liquidity risk - the maximum gap between assets and liabilities for different call and maturity periods, both up to one year and more than one year, limits on the Bank's dependence on the funds of one legal entity or individual (hereinafter referred to as the counterparty) or on raising funds when placing one product;
- concentration risk - an indicator of the risk of concentration on the largest borrowers (the ratio of the volume of the Bank's claims on the largest borrowers to the total loan portfolio, to five or ten largest borrowers), an indicator of the risk of concentration on borrowers by type of economic activity or on investments in securities of issuers by type economic activity;
- statistical indicators characterizing the degree of diversification of the portfolios of a credit institution - the Herfindahl-Hirschman Index(HHI).

Qualitative indicators include:

- risk assessment and compliance with the established risk appetite when deciding to enter new markets, to carry out new operations (to introduce new products);
- assessment of the ratio of risk and profitability when making management decisions.

In 2020, the Bank recognized the following risks as significant: liquidity risk, credit risk, market risk, interest rate risk, operational risk, legal risk, risk of loss of business reputation and concentration risk.

Based on the risk appetite indicators, the Bank determines the planned (target) capital level, the planned capital structure, sources of its formation, the planned (target) capital adequacy level, as well as the planned (target) risk levels and the target risk structure of the Bank.

The Bank has a system of limits and restrictions, which makes it possible to ensure an acceptable level of risks - the Bank's risk appetite. The Board of Directors and other executive bodies of the Bank periodically monitor the ICAAP system and its effectiveness by studying the submitted reports, as well as internal audit of ICAAP procedures in accordance with the terms established by the Bank's internal documents.

ICAAP reporting is formed by the Risk Management Service. Reports on the results of the ICAAP implementation are submitted to the Board of Directors and executive bodies of the Bank on an annual basis.

Reports on the results of stress testing are submitted to the Board of Directors and executive bodies of the Bank on an annual basis.

Internal reporting to the head of the Risk Management Service, heads of divisions and members of the Bank's committees, whose competence includes risk management, is carried out in the following order:

- reports on significant risks in terms of information on the volumes of risks assumed by the Bank's structural divisions, the use (violation) of the established limits, as well as reports on the amount of capital, on the results of capital adequacy assessment, on the fulfillment of mandatory ratios, are submitted to the Bank on a daily basis;
- reports on significant risks in terms of information on the aggregated volume of significant risks accepted by the Bank, at least once a month.

ICAAP reporting includes, but is not limited to, the following information:

- on the aggregate amount of risks accepted by the Bank, as well as on the accepted amounts of each type of risk significant for the Bank;
- on the levels of significant risks assumed by the Bank;
- on the use of the approved limits of risks and capital adequacy of the Bank;
- on the facts of violation by the Bank's subdivisions of the established limits, as well as measures taken to resolve the identified violations;
- on the fulfillment of mandatory standards;
- about the results of stress testing;
- on the current internal assessment of capital adequacy;
- on the results of self-assessments of banking risks;
- on the results of forecasting the financial performance of the Bank;
- on the results of the ICAAP implementation.

Financial performance of the Bank.

As of 01.01.2022, according to the data of form 0409806, the value of the Bank's assets amounted to 5,370,443 thousand rubles, as of January 1, 2021 - 8,194,293 thousand rubles. Such dynamics was mainly due to a decrease in:

- net investments in financial assets at fair value through other comprehensive income from 2,289,015 thousand rubles to 807,771 thousand rubles (- RUB 1,481,244 thousand rubles);
- net loan debt measured at amortized cost from 4,498,322 thousand rubles to 3,155,614 thousand rubles (- 1,342,708 thousand rubles).

**Information on claims (liabilities), weighted by the level of risk,
and on the minimum amount capital required to cover risks**

Number	Indicator name	Risk-weighted claims(liabilities)		Minimum capital required to cover risks
		Data as of the reporting date	Data as of the previous reporting date	Data as of the reporting date
1	Credit risk(excluding counterparty credit risk), total, including:	2 018 041	1 639 674	161 443

2	Using a standardized approach	2 018 041	1 639 674	161 443
3	When using the basic IRR	X	X	X
4	When applying an approach based on risk weighting for requirements for specialized lending and investments in equity participation (IRR)	0	0	0
5	When using advanced IRR	0	0	0
6	Counterparty credit risk, total, including:	X	X	X
7	When using a standardized approach	0	0	0
8	When applying the method based on internal models	0	0	0
9	When using other approaches	0	0	0
10	Risk of changes in the cost of credit claims as a result of deterioration in the credit quality of the counterparty under OTC derivatives transactions	0	0	0
11	Investments in equity securities(shares, units in mutual funds) and shares in the authorized capital of legal entities that are not included in the trading portfolio, using a simplified approach based on risk weighting in IRR	X	X	X
12	Investments in shares, shares of investment and other funds-an end-to-end approach	0	0	0
13	Investments in shares, shares of investment and other funds- mandated approach	X	X	X
14	Investments in stocks, shares of investment and other funds-a reserve approach	X	X	X
15	Settlement risk	0	0	0
16	Securitization risk(excluding trading portfolio securitization risk), total, including:	0	0	0
17	When applying IRR based on ratings	X	X	X
18	When applying the approach based on the ratings of credit rating agencies, including the approach based on internal assessments	X	X	X
19	Using a standardized approach	0	0	0
20	Market risk, total, including:	89 407	2 362 876	7 153
21	Using a standardized approach	89 407	2 362 876	7 153
22	When applying the method based on internal models	X	X	X
23	Equity adjustment due to the transfer of securities from a trading portfolio to a non-trading portfolio	0	0	0
24	Operational risk	512 938	638 325	41 035

25	Assets(claims) below the materiality threshold for deduction from equity(capital),weighted with a coefficient of 250 percent	0	0	0
26	The minimum amount of adjustment for the maximum amount of credit and operational risk deduction when applying IRR	X	X	X
27	Total	2 620 386	4 640 875	209 631

During 2021, the Bank's market risk increased threefold, or by 2 273 469 thousand rubles. This growth was due to an increase in the Bank's investments in debt obligations of the Ministry of the Russian Federation.

Limits

One of the tools of the Bank's Risk and Capital Management Strategy is the system of limits, which is designed to establish certain restrictions on the Bank's acceptance of excessive risks.

The objectives of the system of limits are recognized as "physical" limitation of the Bank's acceptance of excessive risks and prevention of the "spill-over" of negative problems of one of the types of activities of the Bank to the entire Bank. The main task of the system of limits is to ensure the formation of the structure of the Bank's assets and liabilities, adequate to the nature and scale of the Bank's activities.

The system of limits in the Bank has a multilevel structure:

- the total limit for the Bank (the level of aggregate risk) is set based on the Risk Appetite, defined in the Banking Risk and Capital Management Strategy;
- limits by types of risks material (significant) for the Bank (Risk appetite);
- limits for the Bank's divisions responsible for taking risks material to the Bank (areas of activity);
- limits for the distribution of the Bank's own funds (capital) by types of significant (significant) risks;
- limits for individual borrowers (counterparties);
- limits on securities portfolio instruments;
- other limits.

The Bank uses the following types of limits in the area of ICCAP:

- strict - "hard" limits, violation of which (approaching the signal value) leads to the termination of operations;
- indicative - "non-rigid" limits, signaling the achievement of a certain level of risk that requires consideration and decision-making on further directions of development;
- signal limits or signal values of limits - "soft" limits, called upon to pay attention to the acceptable, but approaching the critical value of the risk indicator.

With regard to the management of limits, the latter are divided into:

- regulated limits, at which the limited risk indicator is manageable, i.e. can, if necessary, be brought to the required level (as, for example, an open foreign exchange position can be closed by conducting new operations);
- conditionally constant limits, according to which the limited indicator has a stable medium-term nature, and it is practically impossible to change the position that reduces the risk (such as, for example, using the credit limit - in a constant volume for the life of the loan);
- multi-factor limits, according to which the value of the risk indicator is formed under the influence of many factors, incl. external to the controlled process (as, for example, a limit on a share in a portfolio may be violated as a result of a decrease in position in another segment).

By form, the limits are subdivided into:

- positional - the simplest, classic - direct restrictions on the position volume;
- capital limits - restrictions on the amount of capital required by the type of risk / division / line of business;
- structural limits limiting the share of a certain segment in the total amount of risk - for example, industry limits in the loan portfolio;
- limits on the level of banking risk - restrictions on the value of the corresponding indicators of banking risk;
- stop-loss and take profit limits - restrictions for operations in order to comply with the Bank's mandatory ratios;
- authority limits limiting the amount of accepted risks by employees / departments both by the size of the portfolio / position and by the nature of the instruments;
- other limits.

All limits on banking risks are set taking into account the regulatory requirements of the Bank of Russia and are revised at least once a year. Changes in specific limits and signal values can be initiated by the heads of the relevant departments of the Bank, RMS, and the Executive Committee of the Bank. In limiting the risk, the leading role is assigned to the observance of the mandatory ratios determined by the Instruction of the Bank of Russia № 180-I.

Failure to comply with the established mandatory ratios by the Bank is not allowed.

Stages of the process of setting the Bank's risk limits:

- initiation of the issue of establishing limits for the Bank's risks;
- preliminary determination of the size of the Bank's risk limits;
- submission of the issue of setting the Bank's risk limits for consideration by the Executive Committee of the Bank; making decisions on the issue of setting limits for banking risks by the Executive Committee of the Bank and developing appropriate recommendations to the Board of Directors of the Bank;
- submission of the issue of setting the Bank's risk limits for consideration by the Board of Directors of the Bank; decision-making by the Board of Directors on the issue of setting the Bank's risk limits;
- bringing information on the decision taken on the issue of setting the Bank's risk limits to the interested structural divisions and (or) officials of the Bank.

The Board of Directors and other executive bodies of the Bank periodically monitor the ICAAP system, incl. with regard to the establishment and revision of limits and signal values in the area of ICAAP, its effectiveness by studying the submitted reports, as well as internal audit

of ICAAP procedures. Internal audit of the procedure for establishing and revising limits and signal values in the ICAAP area is carried out by IAS in the form of scheduled inspections at least once a year according to the schedule approved by the Board of Directors or in the form of an unscheduled inspection if signs of violation of ICAAP requirements are detected.

Compliance with risk limits and signal values of the Bank is monitored at two levels:

- constant monitoring of compliance with risk limits directly by the Bank's structural subdivisions carrying out operations that carry risks (both at the stage of making a decision to carry out operations (transactions) and at the stage of monitoring the levels of accepted risks by comparing the volume of approved risks with the established limits);

- monthly monitoring of compliance with the limits by the risk analysis department of the Bank.

The results of limit control are included by the RMS in the Bank's ICAAP reporting.

Informing the management bodies of the Bank about compliance (non-compliance) with the Bank's risk limits is carried out in the form of formation and consideration of RMS reports on compliance (non-compliance) with the Bank's risk limits and is carried out in accordance with the procedure established for each type of risk limit separately.

In case of revealing the fact of non-compliance (violation) of the Bank's risk limit in real time, the head of the relevant structural unit of the Bank takes all possible measures necessary to eliminate non-compliance (violation) of the Bank's risk limit. If it is impossible to eliminate non-compliance (violation) of the Bank's risk limit, the head of the relevant structural unit of the Bank brings this fact to the attention of the Bank's RMS. The RMS of the Bank identifies the reasons for violation of the Bank's risk limit and determines the degree of impact of the fact of violation of the Bank's risk limit on the financial condition of the Bank and compliance with the mandatory ratios established by the Bank of Russia. This information is brought to the attention of the Bank's management in order to develop solutions to eliminate non-compliance (violation) of the Bank's risk limit.

Stress testing

Stress testing is an assessment of the potential impact on the financial condition of the Bank of a number of specified (scenario) changes in risk factors that correspond to exceptional but probable events.

The Bank's ICAAP assumes a wide range of stress testing tasks:

- stress testing of certain types of risks (individual stress testing) within the framework of management systems for the corresponding types of risks, which are subsystems of ICAAP;

- comprehensive (aggregated) stress testing of several types of risks with an assessment of the liquidity risk state (stress testing of liquidity risk) within the framework of the liquidity management system, which is a subsystem of the ICAAP;

- comprehensive stress testing of several types of risks with an assessment of the Bank's equity (capital) adequacy as one of the main elements for assessing capital adequacy;

- reverse stress testing of the Bank's equity (capital) adequacy.

The main goals and objectives of stress testing include:

- assessment of the size of each type of risk material for the Bank (the impact of fluctuations in all significant (significant) banking risks on the Bank's assets);
- assessment of risks obtained using internal models used by the Bank;
- assessment of the ability of the Bank's capital to compensate for possible large losses;
- assessment of the Bank's overall need for capital, as well as determination of a set of actions to be taken by the Bank to reduce the level of risks and preserve capital;
- assessment of the stability of the portfolio of financial assets of the Bank, the Bank as a financial institution and the financial system as a whole to significant changes of a macroeconomic nature;
- optimization of the risk management system and the structure of intra bank limits;
- compliance of the risk management system and the financial management system of the Bank with the requirements and recommendations of the Bank of Russia.

As part of the ICAAP and BCBS recommendations, the Bank adheres to, but is not limited to, the following core stress testing principles:

- stress testing should be effective and be part of the corporate governance and risk management system of the Bank;
- the results of stress testing should be considered when making management decisions;
- stress testing procedures should be properly documented;
- stress testing scenarios must be agreed with the business units and accepted by the Bank's management;
- scenarios for stress testing should reflect a set of factors that can lead to extreme losses or profits on trading portfolios or extremely difficult to control the risks of these portfolios (such factors include unlikely events in the context of all major types of risk, including the main elements of market, credit, operational risk and concentration risk);
- stress testing should be carried out both according to quantitative and qualitative scenarios, taking into account both market risk and changes in liquidity during periods of market instability; quantitative scenarios should identify plausible crisis scenarios to which the Bank may be exposed; The qualitative scenarios reflect the fact that the two main objectives of stress testing are to assess the Bank's capital adequacy to cover potential significant losses and to identify measures that can be taken to mitigate risk and preserve capital.
- when conducting stress testing, it is necessary to combine scenarios prescribed by the supervisor with scenarios developed by the Bank itself in order to take into account the specific features of the business and the risk profile;
- integral, aggregated and reverse stress testing should be carried out;
- stress testing should be applied in addition to other risk management tools;
- approaches to stress testing and stress scenarios should be reviewed regularly (at least once a year).

The procedure and terms of stress testing are applied by the Bank to achieve the goals and objectives of stress testing for the near future and are defined in the Bank's internal documents in the area of ICAAP.

ICAAP stress testing procedures.

Risk	Reporting title	Internal document describing stress	Applied methods	Executive committee	Board of Di-
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		testing procedures		rectors
				Terms of provision
Banking risks	Report on stress testing of banking risks and financial performance of the Bank	Regulation on stress testing at the Bank	Modeling method(scenario analysis) based on historical and hypothetical events, sensitivity analysis	at least once a year
Liquidity risk	Stress testing of liquidity risk in the Bank	Methodology for analyzing liquidity risk in the Bank	Scenario delta-normal VaR estimation method	at least once a year
Credit risk	Stress testing of the Bank's credit risk indicators	Methodology for analyzing credit risk in the Bank	Method of modeling(scenario analysis) of the magnitude of credit risks	at least once a year
Concentration risk	Stress testing of the Bank's concentration risk indicators	Methodology for analyzing concentration risk in the Bank	Method of modeling(scenario analysis) of the concentration risk value	at least once a year
Operational risk	Stress testing of the level of operational risk in the Bank	Methodology for analyzing operational risk in the Bank	Modeling method(scenario analysis) of the magnitude of operational risk	at least once a year
Legal risk	Stress testing of the level of legal risk in the Bank	Methodology for analyzing legal risk in the Bank	Method of modeling(scenario analysis) of the level of legal risk	at least twice a year
Market risk	Stress testing of the Bank's market risk level	Market risk analysis methodology in the Bank	Method of modeling(scenario analysis) of the value of market risk(coefficient of estimated market risk) and sensitivity analysis	at least once a year
Interest rate risk	Analysis of interest rate risk in the Bank	Methodology for analyzing interest rate risk in the Bank	Sensitivity analysis relative to the calculated gap	at least four times a year
Currency risk	Currency risk analysis	Methodology for analyzing currency risk in the Bank	Scenario analysis relative to the official ruble exchange rate	at least four times a year
Capital adequacy	Stress testing of the Bank's equity(capital) adequacy	Regulations on the assessment of the adequacy of the	Analysis of the sensitivity of factors in relation to	at least once a year

	quacy	Bank's own funds(capital)	the calculated amount of equity(capital), ratios for the adequacy of equity(capital), as well as mandatory ratios, in the calculation of which the Bank's capital is involved.	
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Complex stress testing scenarios are approved by the Board of Directors of the Bank at least once a year. The main methods of complex (aggregated) stress testing in the Bank are scenario analysis (based on historical and / or hypothetical events), as well as sensitivity analysis, which allows covering all types of risks inherent in the Bank and the main risk factors to which the Bank may be exposed. Scenario analysis allows assessing the potential consequences of the simultaneous impact of a number of risk factors on the Bank's activities, incl. possible changes in the structure of bank portfolios (analysis of the sensitivity of the Bank's asset portfolio to changes in risk factors is carried out and maximum losses or potential losses are calculated). The scenarios for stress testing of capital are considered by the Bank in relation to macroeconomic conditions: they are either built on the basis of assumptions about certain conditions / changes in the economy, or contain characteristics of the corresponding macro parameters.

When determining the severity of the Scenarios, the Bank proceeds from the fact that the Scenarios should reflect significant shocks (cover the range of risk factors from mild to extreme), and also include cases of high volatility of the financial market or a shock to market liquidity. The scenarios should be consistent with the propensity to accept risks (Risk appetite), correspond to the risk profile and the range of services provided by the Bank.

The Bank identifies the following levels of Scenario severity:

Scenario severity level	Significance level (in %)	Implementation frequency(in years)
Pessimistic	80	Once every 5 years
Critical	95	Once every 20 years
Catastrophic	99	1 time in 100 years

– Scenario 1 "Client abandonment" - realization of liquidity risk, concentration risk, interest rate and non-financial risks (decrease in balances on current accounts of clients by 40%, increase in concentration risk per borrower by 3 times);

– Scenario 2 "Non-repayment of loans" - realization of credit risk, liquidity risk and non-financial risks (deterioration of the quality of the loan portfolio - 20% of its value are bad loans);

– Scenario 3 "Decrease in income" - realization of credit risk, liquidity risk and non-financial risks (decrease in the interest rate on outstanding loans by 20% while maintaining the cost of borrowed funds);

– Scenario 4 "Changes in securities quotes" - realization of market, interest rate and liquidity risks (decrease in securities quotes by 10%);

– Scenario 5 "Growth of operational and legal risks" - realization of operational and legal risks, as well as liquidity risk (presence of operational losses or direct losses in the amount of 10% of the Bank's own funds);

– Scenario 6 "Systemic banking crisis" - banking risks (write-off of funds from current customer accounts in the amount of 50%, correspondent accounts of LORO - 70%; decrease in

91

urgent borrowed funds by 70%, non-repayment of loans in the amount of 20% of the Bank's loan portfolio);

- Scenario 7 "Financial crisis" - banking risks (a decrease in the value of securities by 30%, a decrease in the key rate by 20%, a decrease in urgent borrowed funds by 50%, non-repayment of loans in the amount of 10% of the Bank's loan portfolio, the presence of operational losses or direct losses in the amount of 5% of the Bank's own funds (capital).

According to the latest comprehensive stress testing of the Bank's financial indicators as of 01.07.2021, the following conclusions were made:

- the Bank's capital is sufficient to cover most of the potential significant losses;
- implementation of 3 Scenarios will result in a loss for the Bank, negative return on equity (ROE) and return on assets (ROA).
- none of the Scenarios will lead to violations of the Bank's mandatory standards.
- the maximum damage to the Bank can be caused by the implementation of the Scenarios "Non-repayment of loans", "Growth of operational (including legal) risks", "Systemic banking crisis" and "Financial crisis".
- the Bank should pay special attention to the operational, legal, credit and interest rate risks of the Bank.

Credit risk management

In the process of credit risk management, the Bank is guided by the internal documents on credit risk management of the Bank.

The Bank does not apply an approach based on internal ratings in order to calculate the credit risk of the counterparty, weighted by the risk level, in accordance with the regulation of the Bank of Russia dated 06.08.2015 № 483-P "On the procedure for calculating the amount of credit risk based on internal ratings".

There were no significant changes in the organizational structure of the Bank in terms of credit risk management as compared to the previous banking reporting.

Credit risk is the risk arising from the likelihood of non-fulfillment of contractual obligations by a borrower or counterparty to a credit institution.

Lending operations, being one of the priority areas of the Bank's activities, are also one of the most risky, therefore almost all of the Bank's loans are secured, which significantly reduces the Bank's credit risk. In addition, all of the Bank's assets are unencumbered. When assessing credit risk, the Bank applies a standardized approach.

Credit operations, being one of the priority areas of the Bank's activities, are also one of the most risky, therefore, risk assessment on credit operations is the most important part of the analysis of the Bank's financial stability. The Bank adheres to a conservative credit policy, trying to fully cover its risks.

The Bank provides borrowers with loan products only after a detailed assessment of all possible risks associated with the activities of these borrowers.

When assessing credit risk, the Bank uses the following components: the share of standard loans in the total loan portfolio of the Bank, the share of non-standard loans in the total loan portfolio of the Bank, the share of doubtful loans in the total loan portfolio of the Bank, the share of problem loans in the loan portfolio of the Bank, the share of bad loans in the Bank's loan portfolio, the level of coverage by provisions for possible losses on the loan and equivalent indebtedness of non-standard loans of the Bank's loan portfolio, the level of coverage by provisions for possible losses on the loan and equivalent indebtedness of doubtful loans of the Bank's loan portfolio, the level of coverage by provisions for possible losses on the loan and equivalent debt of

problem loans of the Bank's loan portfolio, the indicator of the concentration of outstanding loans according to OKVED, the indicator of the concentration of outstanding loans according to the OKATO, the ratio of the Bank's equity (capital) adequacy (N1.0), the ratio of the maximum amount of risk per borrower or a group of related borrowers (N6), the ratio of the maximum size of large credit risks (N7), counterparty credit risk indicator, residual risk level indicator, credit risk stress testing indicator. These components of credit risk assessment allow making management decisions in relation to banking products for clients.

For effective risk management, the Bank has an Executive, Finance and Credit Committees. The purpose of the Credit Committee is to develop and make decisions on all issues related to lending to the Bank's clients. The Credit Committee approves the main terms of lending:

- loan amount;
- loan terms;
- interest rate;
- requirements for securing obligations to repay a loan;
- the procedure for granting a loan and other conditions.

The Bank's credit risk management process consists of the following stages:

- identification(revelation) of credit risk;
- analysis and assessment of credit risk;
- regulation of credit risk- measures to limit and reduce credit risk;
- monitoring the level of credit risk accepted by the Bank;
- monitoring compliance with the Bank's credit risk management procedures;
- stress testing and forecasting of credit risk indicators;
- self-assessment of the level of credit risk;
- preparation and analysis of reports on the level of credit risk accepted by the Bank..

Credit risk is regulated by a system of settlement limits. The assessment of the financial condition of the Bank's counterparties in order to establish limits is carried out on the basis of a methodology that is part of the Bank's policy. Based on the results of monitoring the creditworthiness of counterparties, which is carried out on an ongoing basis by the responsible divisions of the Bank, proposals are made to change the existing limits for consideration by the Financial or Executive Committee of the Bank.

The current system is quite conservative and avoids losses in the interbank lending market.

Loans by the Bank are issued in the presence of liquid and sufficient collateral, drawn up in accordance with the procedure established by law. Real estate, equipment, vehicles, bank guarantees and sureties, highly liquid securities, etc. can act as collateral for loans to legal entities.

The Bank uses the following methods to reduce (minimize) credit risk:

- reserving funds to cover possible losses (aimed at protecting depositors, creditors and participants);
- diversification of loans (carried out by distributing loans to various categories of borrowers, terms of provision, types of collateral, by industry);
- structuring loans (detailed development of a loan scheme in order to optimize its parameters and minimize financial, tax and legal risks for the parties).

The current credit policy of the Bank eliminates the concentration of credit risk by establishing internal standards that are stricter than the current standards of the Bank of Russia.

The Bank has developed and operates policies and procedures aimed at preventing and minimizing damage from credit risk. In order to minimize credit risk, the Bank operates the following procedures:

- mandatory regular assessment of the financial condition of borrowers,
- determination of groups of related clients / borrowers of the Bank in order to assess and reduce possible credit risks, comply with the limits in force in the Bank and fulfill the requirements of the Bank of Russia in terms of calculating mandatory ratios,
- assessing the liquidity and sufficiency of the offered collateral,
- constant monitoring of the performance by borrowers of their obligations to the Bank and the actual availability and condition of collateral,
- assessment of the quality category of issued loan products,
- the procedure for creating reserves for possible losses on loans, reserves for possible losses on other operations.

The level of reserves for loan and loan equivalent debt of the Bank according to the data of Form 0409115 is low due to the good quality of the loan portfolio, as well as the availability of collateral for the loans available on the Bank's balance sheet.

LLP as of 01.01.2022 for loans of the 2nd quality category amounted to 25,895 thousand rubles or 46.32% of the LLP, for loans of the 3rd category of quality - 8,635 thousand rubles or 15.45% of the LLP, for loans of the 4th category of quality - 21,360 thousand rubles or 38.21% of the LLP, for loans of the 5th quality category - 15 thousand rubles or 0.03%. The level of reserves as of 01.01.2022 amounted to 3.23% of the Bank's loan debt.

During 2021, the Bank's residual credit risk was not significant, namely:

- collateral for loan debt is liquid, there were no preconditions for the loss of liquidity;
- there were no legal deficiencies in the execution of documentation on credit transactions, all documents related to credit transactions are available, no defects in their form were identified, all credit transactions of the Bank are valid;
- the debtor did not provide false information about his financial position.

The Bank determines the procedure for assessing the reasonableness of the application of full recognition of the value of collateral in order to reduce credit risk. The Bank's policy in the field of collateral is set out in the relevant internal document of the Bank and is aimed at:

- to achieve reliable collateral for transactions in which the Bank acts as a creditor;
- minimization of losses when foreclosure on the subject of a pledge;
- the Bank's compliance with the requirements of the Central Bank of the Russian Federation in terms of assessing the quality of loan collateral.

All of the Bank's loans are secured by liquidity. In working with collateral for loan obligations, the Bank uses a conservative, prudent approach, which is designed to minimize possible residual risk.

Restructured loans in the Bank's loan portfolio as of January 1, 2022 amounted to 76,200 thousand rubles or 4% of the Bank's loan and loan equivalent debt (as of January 1, 2020, restructured loans amounted to 76,895 thousand rubles or 15.34%).

Concentration of credit risk is the provision of large loans to an individual borrower or a group of related borrowers, as well as as a result of the Bank's debtors belonging either to certain

91

sectors of the economy, or to geographic regions, or in the presence of a number of other liabilities that make them vulnerable to the same economic factors.

Forming a loan portfolio, the Bank adheres to a certain level of concentration of lending operations, since it operates in a specific market segment and specializes in servicing a specific clientele. Concentration risk is identified as an independent type of risk for management, it is necessarily taken into account when making decisions on transactions with counterparties and clients. The Bank's RMS conducts ongoing analysis of concentration risk, incl. within the framework of the analysis of the Bank's credit and market risks.

The Bank pays close attention to controlling the level of concentration of large credit risks. In accordance with internal regulations, the Bank has implemented a procedure for daily monitoring of major credit risks and forecasting compliance with the requirements established by the Bank of Russia in accordance with N6 (maximum exposure per borrower or a group of related borrowers) and N7 (maximum exposure to large credit risks). For this purpose, support and monitoring of the List of large and related borrowers of the Bank is carried out.

Among the largest borrowers of the Bank are representatives of various sectors of the economy, thus, the credit risk is sufficiently diversified.

The Bank pursues a balanced policy in the formation of reserves for possible losses on loans, loan and equivalent debts. The Bank forms reserves for possible losses on loans, loan and equivalent indebtedness, as well as for other operations in accordance with the Bank's internal Regulations, developed in accordance with the requirements of the Central Bank of the Russian Federation Regulations № 590-P, № 611-P. Control over the correct and timely formation of reserves is carried out by the Bank's Lending Department, followed by control by the Internal Audit Service.

According to the analysis of credit risk as of 01.01.2022, the following conclusions were made:

- the standards established by Instruction № 199-I are fulfilled as of the analyzed date, there were no violations on the intra-month dates.

The degree of negative impact of the concentration of credit risk on the Bank's ability to service its liabilities with available cash is assessed as insignificant.

- the overall level of credit risk is assessed as *medium*, according to the approved internal Methodology for the analysis of credit risk in the Bank.

- there is no need to take urgent measures to reduce the level of the Bank's credit risk and preserve capital.

As of 01.01.2022, the Bank's RMS underwent stress testing of credit risk, during which two scenarios were considered:

- decrease in capital by 30% and growth of bad loans by 5 times;

- 2-fold growth of large credit risks net of RVP and a 50% decrease in capital.

According to the results obtained, it was concluded that the financial stability of the Bank to credit risks for 2021 slightly increased - with the possible implementation of the considered stressful development scenarios, the generalized assessment of assets will remain at the acceptable level for the Bank.

7.1.Counterparty credit risk management.

The Bank does not disclose information on counterparty credit risk management due to the absence of the latter.

7.2. Securitization risk management.

The Bank does not disclose information on securitization risk management due to the absence of the latter.

7.3. Market risk management.

Market risk (MR) is the risk that the Bank will incur financial losses / losses due to changes in the current fair value of financial instruments, as well as foreign exchange rates and / or precious metals. A distinctive feature of market risk from other banking risks is its dependence on market conditions. Market risk includes equity, currency and interest rate risks.

The Bank's market risk management policy defines the main principles of market risk management, taking into account domestic and international banking practice, including:

- goals and objectives of market risk management;
- the procedure for identifying, assessing, determining the acceptable level of market risk and monitoring the level of market risk;
- taking measures to maintain an acceptable level of market risk, including control and (or) minimization of risk;
- the procedure for information support on market risk issues (the procedure for exchanging information between divisions and employees, the procedure and frequency of submission of reporting and other information on market risk management);
- the procedure for managing market risk when changing the structure of financial instruments, their quantitative and cost indicators, developing and introducing new technologies and conditions for carrying out banking operations and other transactions, other financial innovations and technologies, when entering new markets;
- distribution of powers and responsibilities between the Board of Directors of the Bank, executive bodies, divisions and employees in terms of implementation of the basic principles of market risk management;
- the procedure for monitoring the effectiveness of market risk management

The Bank carries out current monitoring of the level of market risks, operational control of the formation and changes in the structure of portfolios of financial instruments inherent in market risk, daily current operational control of the open foreign exchange position, control of compliance with transaction procedures, etc.

The Bank organizes a market risk management system for the following purposes:

- avoidance of possible losses due to fluctuations in prices for financial instruments;
- compliance with the requirements of the Bank of Russia to ensure the financial stability of the Bank;
- ensuring compliance with the legitimate interests of the Bank and its clients when working with market instruments.

The main objectives of creating a market risk management system are:

- organizing control over the diversification of the portfolio of financial instruments inherent in market risk;
- maintaining the Bank's open positions at a level that does not threaten its financial position.

Market risk management in the Bank is based on the principles of differentiation of market risk sources, responsibility for assumed risk, limitation of potential losses and centralization of market risk management.

In accordance with the principle of differentiation of risks, each of the centers of responsibility bears market risk specific only to a particular type of business. The establishment of this principle ensures the efficient allocation of limits, as well as the operational control of their use. The Financial Committee determines the list of the Bank's divisions, which are allowed to perform operations in the external market and open positions. In accordance with the principle of limiting losses, the total volume of the limits established by the Bank should not exceed the normative ratios established by the Bank of Russia.

In accordance with the principle of responsibility for risk, divisions empowered to conduct transactions related to market risk are responsible for the effective use of these powers.

In accordance with the principle of centralization of market risk management, all information on transactions affecting the Bank's open positions (including open exchange positions), as these transactions are performed, is available online in the Diasoft ABS for the purpose of intraday regulation of positions and forecasting positions at the end of the day.

The Bank defines the following main types of transactions (but is not limited to them), which are inherent in market risk:

- active and passive fixed income transactions that do not coincide in terms of maturity;
- transactions with paid liabilities placed in assets that do not have a fixed income;
- operations with shares; debt obligations of the Russian Federation, constituent entities of the Russian Federation and local authorities, enterprises and organizations, bought or sold in order to obtain speculative income;
- transactions with derivative financial instruments bought or sold for the purpose of obtaining speculative income;
- transactions with property with market value, pledged;
- operations with precious metals bought and sold for the purpose of obtaining speculative income;
- operations with foreign currency bought and sold for the purpose of obtaining speculative income (forex);
- operations with foreign currency in cash purchased and sold to individuals through exchange offices in order to obtain speculative income;
- operations with foreign currency purchased and sold for the purpose of carrying out operations for granting a loan, purchasing a security or other instrument;
- transactions with issued guarantees in foreign currency, or accepted guarantees in a currency that does not correspond to the currency of the transaction.

Market risk management methods depend on the nature of emerging risks and are divided into:

- common, that is applied to all types of risks included in the concept of market (currency, interest, stock, commodity): methods of managing interest rate risk
 - in the Policy for managing interest rate risk in the Bank, methods for managing stock and commodity risk
 - in the Policy for managing stock and commodity risk in the Bank, methods of foreign exchange risk management
 - in the Foreign Exchange Risk Management Policy of the Bank.

Common market risk management techniques include:

- collection and analysis of information about markets and counterparties
- calculation and assessment of the general level of market risk;
- forecasting;
- limits;
- stress testing;
- self-esteem;
- monitoring of price fluctuations for financial instruments inherent in market risk;
- hedging;
- system for creating reserves for possible losses.

• special, that is applicable only to a specific type of risk or financial instrument.

Special management methods are considered in the context of specific types of risks.

The Bank identifies and assesses market risks using both quantitative and qualitative parameters, taking into account the actual and planned indicators, as well as the results of stress testing, while monitoring all operations, the result of which cannot be accurately planned, since it depends on the development of the market situation.

In order to identify market risk, the Bank collects and analyzes information on markets and counterparties in two directions. Analysis of information on counterparties includes the systematic collection and analysis of information on all counterparties with whom the Bank enters into contractual relations and (or) carries out transactions. To this end, in all cases, the Bank uses the "Know your customer" principle in its work, monitors changes in financial position, business reputation, etc. The Bank also uses the "Know your employee" principle in the course of its activities. The collection and analysis of the above information is carried out in the divisions intending to conclude an agreement / transaction. The internal documents of the Bank establish the minimum requirements for the package of documents required for counterparties planning to enter into contractual relations with the Bank.

The heads of the relevant departments are responsible for ensuring that these requirements are met.

Verification of the packages of documents for their compliance with the current legislation and the establishment of the powers of persons entering into contracts or carrying out transactions is carried out by the Legal Department of the Bank.

The collection and analysis of information about the markets is carried out by the Bank's RMS (general and / or thematic reviews) and represents analytical reviews and / or reports on the market segments of interest (for example, an overview of the foreign exchange market for a certain period), on an interesting thematic issue related to the Bank's risks (for example, an assessment of risks in the government bond market and the attractiveness of this type of investment for the Bank).

Hedging is an economic transaction involving the use of a financial instrument (usually a derivative) aimed at mitigating (partially or fully) the risks of a hedged position. Hedging involves the use of derivative financial instruments: futures, swaps, forwards, options, etc.

The Bank may use hedging transactions such as futures, forwards, swaps and other transactions that represent the opening of an opposite position in order to compensate for market risks.

When analyzing the feasibility of hedging transaction (s) from the point of view of making informed decisions on the hedging strategy in each specific case, the RMS evaluates the current level of market risks, sources and amounts of reserves to cover market risks, as well as the assumed level of market risks of the Bank if applied hedging. In the event that hedging can significantly (from the point of view of the Bank's reliability) reduce market risk at reasonable costs, then hedging is advisable. If the expected decrease in market risk is insignificant for the financial

stability of the Bank, or the costs of hedging are comparable to the savings in reserve funds, then this hedging method is unsuitable and, if possible, other hedging strategies should be sought.

Hedging strategies that the Bank can use to mitigate market risks are determined by a number of factors: type of hedged risk, type of portfolio (financial instrument) being hedged, hedging objectives, market conditions, including the derivatives market, compliance with the Bank's Risk Appetite etc.

The purpose of hedge accounting is to reflect in the Bank's financial statements the results of risk management activities involving the use of financial instruments to manage positions for certain risks that could affect profit or loss (or other comprehensive income, if these are investments in equity instruments for which The Bank chose to present changes in fair value in other comprehensive income in accordance with the requirements of IFRS9).

In general, hedging can be considered effective if the following conditions are met at one time:

- throughout the hedging process, the Bank can expect that the change in the hedged item will be fully offset by changes in the fair value or cash flows of the hedging instrument;
- the actual results achieved are in the range of 80% to 125%.

The effectiveness of hedges is assessed at the time of preparation of the Bank's annual or interim financial statements.

In order to minimize market risk, the Bank implements the following basic procedures and methods:

- operations with securities inherent in the market risk are subject to the mandatory limiting procedure; open foreign exchange positions of the Bank are formed within the limits established by the Bank of Russia; The Bank is also entitled to establish other limits on market risk indicators if the Executive Committee of the Bank makes a decision on the need to establish these limits;

- the Bank creates a reserve for possible losses, which allows to cover a sudden risk at the expense of the Bank's own funds;

- all restrictions at the level of the Bank's divisions are determined in such a way as to take into account the need to comply with all prudential norms, methodologies and requirements of the Bank of Russia and current legislation, business traditions in relation to standard operations and transactions for financial markets;

- each structural unit has clearly defined limits of authority and reporting.

The Bank applies a standardized approach to market risk management.

Control over the volume of market risk accepted by the Bank is carried out both in the process of carrying out operations (transactions) (at the stage of making a decision to carry out operations / transactions) and at the stage of monitoring the levels of accepted risks by comparing the volume of approved risks with the established limits. The results of limit control are included by the RMS in the Bank's ICAAP reporting.

In order to monitor and maintain market risk at an acceptable level for the Bank, a combination of market risk management methods is used, such as:

- system of authority and decision making;
- information system;
- financial instruments monitoring system.

There are no significant changes in the organizational structure of the Bank in terms of market risk management as compared to the previous accounting (financial) statements.

Cumulative amount of market risk under the standardized approach¹

Number	Article title	Risk-weighted value
1	2	3
Financial instruments(except options)		
1	Interest rate risk	7 152.58
2	Stock risk	0
3	Currency risk	0
4	Commodity risk	0
Options:		
5	Simplified approach	0
6	Delta plus method	0
7	Scenario approach	0
8	securitization	0
9	Total:	89 407.25

In accordance with the applicable IFRS 9, the Bank uses three main measurement categories of financial assets: measured at amortized cost, measured at fair value through other comprehensive income (FVOCI) and measured at fair value through profit or loss (FVTPL).

As of 01.01.2021, the overall level of market risk is recognized as medium. Taking into account the data of the RMS analyzes (interest rate and market risks) and the fact that the Bank's securities portfolio consists of liquid debt bonds of the Ministry of Finance of the Russian Federation, the risk of losses that could disrupt the financial stability of the Bank is minimal. There was no need to take urgent measures to reduce the level of the Bank's market risk and preserve capital.

As of 01.01.2021, the Bank conducted stress testing of the market risk level, in which three scenarios were considered: a decrease in the key rate by 20%, a decrease in the Bank's equity (capital) by 20% and an increase in the inflation rate by 2 times. The level of market risk based on the results of the above stress test was recognized as acceptable, since a possible change in market risk will not have a critical impact on the professional financial activities of the Bank and the overall level of market risk during 2021 will be at a level not higher than average.

7.7. Interest rate risk management.

There were no significant changes in the organizational structure of the Bank in terms of interest rate risk management in comparison with the previous accounting (financial) reporting.

Interest rate risk is the risk of financial losses (losses) due to unfavorable changes in interest rates on assets, liabilities and off-balance sheet instruments of the Bank, which affects the income received by the Bank, as well as the value of its liabilities.

The purpose of the Bank's interest rate risk management is to minimize the Bank's financial losses due to possible unfavorable changes in interest rates on assets, liabilities and off-balance sheet instruments of the Bank, as well as the risk of revaluation of debt securities in the Bank's portfolio.

¹ According to Bank of Russia Regulation No. 511-P dated December 3, 2015 "On the Procedure for Calculating Market Risk by Credit Institutions"

To achieve this goal, the Bank strives to solve the following main tasks:

- assessment of the state of the rates market and timely and reasonable forecasting of changes in market interest rates;
- regular assessment of the risk of unfavorable changes in the price of the Bank's assets under the influence of factors related to the issuers of securities in the current debt portfolio of the Bank.

The division of the Bank's portfolios into trading and banking is carried out by the Bank in order to determine the approaches by which certain instruments will be managed, the risks associated with open positions are measured, the limits are set and the capital adequacy to cover these risks is assessed.

The Bank uses the approach to assessing capital adequacy set forth in Regulation № 511-P.

In the course of its professional activities, the Bank manages interest rate risk based on:

- management of the interest rate cycle;
- management in the event of a crisis situation;
- management in case of emergency;
- application of other measures.

The Board of Directors is responsible for organizing the interest rate risk management system in the Bank, which also approves the interest rate risk management policy and organizational structure of the Bank, assesses the activities of the Bank's executive body to implement the approved policy in the area of interest rate risk management and control the level of interest rate risk, etc.

The Executive Committee of the Bank is responsible for implementing the interest rate risk management policy in the Bank, organizing and ensuring the effectiveness of the interest rate risk management system, including organizing systems for monitoring and measuring interest rate risk, organizing the submission of complete and reliable reporting on the management of interest rate risk, discussing with the Board of Directors of the Bank issues of functioning interest rate risk management systems, organization of measures to improve the qualifications of the Bank's employees performing the functions of interest rate risk management and other issues reflected in the relevant internal documents of the Bank.

The Bank's Financial Committee sets interest rates for attracting and allocating resources, manages the structure of the balance sheet in terms of setting limits on banking products, equity and time limits, liquidity, stop-loss (take-profit), sets risk limits for financial institutions - counterparties of the Bank, and also considers other issues of the Bank's financial activities.

The Bank's RMS is responsible for the implementation of the rules and procedures for interest rate risk management, analysis, assessment and monitoring of interest rate risk, control over compliance with the established interest rate risk limits, stress testing, forecast and self-assessment of interest rate risk, preparation of reports on interest rate risk, participates in the discussion of management quality issues interest rate risk with the Board of Directors and the Executive Committee of the Bank.

The daily calculation of interest rate risk, which is included in the calculation of mandatory ratios established by the Bank of Russia, as well as daily monitoring of the Bank's interest rate risk, in accordance with the approved Methodology for the analysis of interest rate risk in the Bank, is carried out by the Bank's Accounting and Reporting Department.

The table below shows an analysis of the Bank's interest income and expense.

Indicator name	As of	As of 1.01.2022
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	1.01.2021	
1. Interest income from the placement of funds in credit institutions	61 601,25	161 635,27
2. Interest income from loans to customers other than credit institutions	63 531,59	60 967,31
3. Interest income from investments in securities	129 817,70	45 089,57
4. Interest expenses on borrowed funds from credit institutions	8 328,54	3 204,81
5. Interest expenses on attracted funds from clients other than credit institutions	24 503,01	62 571,96
6. Interest expenses on debt securities issued	0,00	0,00
Financial result	222 118,99	201 915,38

According to the calculated data, the financial result of the Bank's interest income for the last 12 months of 2021 is less by 20,203.61 thousand rubles compared to the same result as of January 1, 2021. The Bank's securities portfolio, which is exposed to interest rate risk, consists of coupon bonds of the Bank of Russia - 799,057.00 thousand rubles.

Interest rate risk is the risk of incurring financial losses (losses) due to unfavorable changes in interest rates. Interest rate risk may be caused by the mismatch of the terms of demand (re-payment) of claims and liabilities, as well as the unequal degree of change in interest rates on claims and liabilities. As a method for assessing interest rate risk, the Bank uses Gap analysis according to the data of Form 0409127.

The interest rate risk is monitored on a daily basis by the Bank's Accounting Department and RMS in terms of its impact on the fulfillment of the requirements of the Central Bank of the Russian Federation in terms of compliance with the Standards for the adequacy of own funds (capital) of the Bank. In case of revealing negative trends in the growth of the interest rate risk of the Bank, which may lead to a violation of the requirements of the Central Bank of the Russian Federation in terms of compliance with the above standards, the Accounts Department of the Bank brings this information to the attention of the RMS and the President of the Bank, and / or the Financial Committee of the Bank in order to take the necessary measures to minimize the amount interest rate risk specified in the Interest Risk Management Policy of the Bank. Information on monitoring results is provided to the President, the Financial Committee and the Board of Directors of the Bank as part of the RMS reporting.

The volume of interest rate risk (taking into account the coefficient of 12.5) as of 01/01/2022 amounted to 89,407.25 thousand rubles (limit = 7,565,588.31 thousand rubles), the level of use of the interest rate risk limit = 1.18%. As a result of interest rate risk monitoring in December 2021, it should be noted that no negative growth trends in the Bank's interest rate risk were identified, which could lead to a violation of the requirements of the Central Bank of the Russian Federation, incl. in terms of compliance with N1.0 (the Bank's own funds (capital) adequacy ratio). All established limits on interest rate risk were not exceeded, the signal values were not reached.

Interest rate risk stress testing.

Stress testing of interest rate risk is carried out by the Bank in terms of the level of interest rates by 200, 400 and 1500 b.p.(basis points) in the process of calculating and reporting in the form 0409127.

The table below shows the volume, structure and sensitivity of the value of financial instruments to changes in interest rates as of 01.01.2021

№ i/n	Financial instruments	Term					
		Up to 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	From 1 to 3 years	More than 3 years
ASSETS							
1	Funds on correspondent accounts with credit institutions	0,00	0,00	0,00	0,00	0,00	0,00
2	Loan debt	3 026 745,00	1 547,00	13 564,00	33 801,00	40 333,00	74 273,00
3	Investments in securities	0,00	0,00	0,00	0,00	0,00	0,00
4	Other assets	0,00	0,00	0,00	0,00	0,00	0,00
5	Fixed assets and intangible assets	0,00	0,00	0,00	0,00	0,00	0,00
6	Off- balance sheet requirements	0,00	0,00	0,00	0,00	0,00	0,00
7	Total balance sheet assets and off- balance sheet claims	3 026 745,00	1 547,00	13 564,00	33 801,00	40 333,00	74 273,00
8	Total balance sheet assets and off- balance sheet claims on an accrual basis	3 026 745,00	1 547,00	13 564,00	33 801,00	X	X
LIABILITIES							
9	Funds of credit institutions	0,00	0,00	0,00	0,00	0,00	0,00
10	Funds of customers other than credit institutions	888 434,00	97 053,00	39 160,00	25 852,00	279 742,00	0,00
11	Debt issued	0,00	0,00	0,00	0,00	0,00	0,00
12	Other liabilities	668,00	2 606,00	3 909,00	5 028,00	31 585,00	28 328,00
13	Sources of own funds	0,00	0,00	0,00	0,00	0,00	0,00
14	Off- balance sheet liabilities	0,00	0,00	0,00	0,00	0,00	0,00
15	Total balance sheet liabilities and off- balance sheet liabilities	889 102,00	99 659,00	43 069,00	30 880,00	311 327,00	28 328,00
16	Total balance sheet liabilities and off- balance sheet liabilities on an accrual basis	889 102,00	99 659,00	43 069,00	30 880,00	X	X
Gap							
17	Gap	2 137 643,00	(98 112,00)	(29 505,00)	2 921,00	(270 994,00)	45 945,00
18	Gap on an accrual basis	2 137 643,00	(98 112,00)	(29 505,00)	2 921,00	X	X
19	Gap ratio(cumulative relative gap)	3,40	0,02	0,31	1,09	X	X
20	Gap ratio(cumulative relative gap)	3,40	0,02	0,31	1,09	X	X

STRESS TESTING						
21	Time factor	0,9583	0,8333	0,6250	0,2500	Interest rate change scenarios
22	Change in interest income by 200 basis points(in thousand rubles)	40 970,07	(1 635,13)	(368,81)	14,61	
23	Change in interest income by 400 basis points(in thousand rubles)	81 940,13	(3 270,27)	(737,63)	29,21	
24	Change in interest income by 1500 basis points(in thousand rubles)	307 275,49	(12 263,51)	(2 766,09)	109,54	

The absolute gap and the gap on an accrual basis were:

- in the time interval "up to 1 month" +2 137 643.00 thousand rubles,
- in the time interval "from 1 to 3 months" -98 112.00 thousand rubles ,
- in the time interval "from 3 to 6 months" -29 505.00 thousand rubles ,
- in the time interval "from 6 to 12 months" 2 921.00 thousand rubles ,
- in the time interval "from 1 to 3 years" -270 994.00 thousand rubles,
- in the time interval "more than 3 years" 45 945.00 thousand rubles.

The absolute gap for all periods, except for the periods "from 3 to 6 months" and "from 6 to 12 months", is negative.

The gap ratio (cumulative relative gap) and the gap on an accrual basis were:

- in the time interval "up to 1 month" - 3.40;
- in the time interval "from 1 to 3 months" - 0.02;
- in the time interval "from 3 to 6 months" - 0.31;
- in the time interval "from 6 to 12 months" - 1.09.

The results of the stress testing of the Bank's interest rate risk as of 01.01.2022 are presented earlier in the table of the Gap analysis of interest rate risk. During stress testing, the following results were obtained:

- if the interest rate increases by 200 basis points, the Bank's net interest income for the year will increase by 38 980.74 thousand rubles,
- if the interest rate increases by 400 basis points, the Bank's net interest income for the year will increase by 77 961.44 thousand rubles ,
- if the interest rate increases by 1500 basis points, the Bank's net interest income for the year will increase by 292 355.43 thousand rubles.

Stress - testing of interest rate risk and analysis of its impact on the financial result, the amount of equity (capital) and the value of the capital adequacy ratio in aggregate for all currencies, the Bank carries out on a quarterly basis according to the following scenarios:

- baseline scenario - decrease / increase in interest rates by 2%;
- moderate scenario - decrease / increase in interest rates by 4%;
- stress scenario - decrease / increase in interest rates by 15%.

As of 01.01.2021, the Bank made a profit taking into account other comprehensive income (form 0409102) in the amount of 62 587.00 thousand rubles.

According to stress test scenarios:

- in the event of a 2% increase in the interest rates, the profit will increase by 38 979.18 thousand rubles and will amount to 101 566.18 thousand rubles (in rubles, the increase will amount to 40 762.91 thousand rubles, in US dollars, the decrease will be 1 783.73 thousand rubles);

- 10
- in the event of a 2% decrease in interest rates, the profit will decrease by 38,979.18 thousand rubles, while the Bank will receive a profit in the amount of 23,607.82 thousand rubles (in rubles, the decrease will be 40,762.91 thousand rubles, in US dollars, the increase will be 1,783.73 thousand rubles);
 - in the event of a 4% increase in the interest rates, the profit will increase 77 958.37 thousand rubles and will amount to 140 545.37 thousand rubles (in rubles, the increase will amount to 81 532.08 thousand rubles, in US dollars, the decrease will be 3 567.46 thousand rubles);
 - in the event of a 4% decrease in interest rates, the profit will decrease by 77,958.37 thousand rubles and the Bank will receive a loss in the amount of 15,371.37 thousand rubles (in rubles, the decrease will be 81,532.08 thousand rubles, in US dollars, the increase will be 3,567.46 thousand rubles);
 - in the event of a 15% increase in the interest rates, the profit will increase 292 356.39 thousand rubles and will amount to 354 943.39 thousand rubles (in rubles, the increase will amount to 292 356.39 thousand rubles, in US dollars, the decrease will be 13 387.36 thousand rubles);
 - in the event of a 15% decrease in interest rates, the profit will decrease by 292,356.39 thousand rubles and the Bank will receive a loss in the amount of 229,769.39 thousand rubles (in rubles, the decrease will be 305,743.75 thousand rubles, in US dollars, the increase will be 13,387.36 thousand rubles).

As of January 1, 2022, the amount of the Bank's own funds (capital) (in accordance with form 0409806) amounted to 2,329,467.00 thousand rubles, the Bank's own funds (capital) adequacy ratio N1.0 (in accordance with form 0409813) amounted to 86.056%. According to stress testing scenarios:

- in the event of an increase in interest rates by 2%, the amount of capital will increase by 37,194.13 thousand rubles and amount to 2,366,661.13 thousand rubles. (in rubles, the increase will be 39,064.36 thousand rubles; in US dollars, the decrease will be 1,870.23 thousand rubles); N1.0 will increase by 4.20% and amount to 90.256%;
- in the event of a 2% decrease in interest rates, the amount of capital will decrease by 38,979.18 thousand rubles and amount to 2,292,202.86 thousand rubles (in rubles, the decrease will be 40,762.91 thousand rubles, in US dollars, the increase will be 1,783.73 thousand rubles); N1.0 will increase by 1.48% and will be 87.536%;
- in the event of an increase in interest rates by 4%, the amount of capital will increase by 77,958.37 thousand rubles and amount to 2,403,785.28 thousand rubles (in rubles, the increase will be 81,532.08 thousand rubles; in US dollars, the decrease will be 3,567.46 thousand rubles); N1.0 will increase by 5.55% and amount to 91.609%;
- in the event of a 4% decrease in interest rates, the amount of capital will decrease by 77,958.37 thousand rubles and amount to 2,254,868.72 thousand rubles (in rubles, the decrease will be 81,532.08 thousand rubles, in US dollars, the increase will be 3,567.46 thousand rubles); N1.0 will increase by 0.11% and will be 86.169%;
- in the event of an increase in interest rates by 15%, the amount of capital will increase by 277,262.26 thousand rubles and amount to 2,606,729.26 thousand rubles (in rubles, the increase will be 291,370.37 thousand rubles; in US dollars, the decrease will be 14,108.11 thousand rubles); N1.0 will increase by 12.960% and will be 98.972%;
- in the event of a 15% reduction in interest rates, the amount of capital will decrease by 281,199.84 thousand rubles and amount to 2,048,267.16 thousand rubles. (in rubles, the decrease will be 295,141.55 thousand rubles; in US dollars, the increase will be 13,941.71 thousand rubles); N1.0 will decrease by 7.49% and amount to 78.569%.

Stress test values of the equity capital adequacy ratio meet the requirements of internal documents. No significant exposure of the Bank to the interest rate risk was revealed (the forecast value of the loss was obtained with a decrease in interest rates by 15%, which is a crisis scenario of the development of events with a low probability of realization).

When determining the level of interest rate risk, the Bank uses the following internal indicators: the sum of the maximum possible interest rate risk taking into account the correlation of risks, the ratio of the calculated interest rate risk, the indicator of the concentration of the interest rate risk, the ratio of the interest rate risk, the indicator of the gap with a cumulative total, the ratio of the relative gap, the indicator of the interest rate risk, the indicators of the deviation of the value of interest rate risk for financial instruments, the indicator of the ratio of the value of the interest rate risk on financial instruments to the planned capital.

As of 01.01.2022, the overall level of interest rate risk is recognized as medium. Debt obligations of the Ministry of Finance of the Russian Federation, which constitute the Bank's securities portfolio and create a high concentration of the Bank's interest rate risk, have a sufficiently high liquidity, therefore, do not pose any threat to the financial stability of the Bank.

7.8. Operational risk management.

Operational risk is the risk of direct and indirect losses as a result of imperfection or erroneous internal processes of the credit institution, actions of personnel and other persons, failures and shortcomings of information, technological and other systems, as well as a result of external events.

Internal and external factors of operational risk can be:

- accidental or deliberate actions of individuals and / or legal entities directed against the interests of the Bank;
- contradictions in the distribution of powers of divisions and employees of the Bank, procedures for conducting banking operations and other transactions, their documentation and recording, non-compliance by employees with established procedures and procedures, ineffectiveness of internal control;
- failures in the functioning of systems and equipment;
- unfavorable external circumstances beyond the control of the Bank.

Various operational risk factors may result in losses due to:
abuse or illegal actions of the Bank's employees (theft, abuse of office, deliberate concealment of the facts of banking operations and other transactions, unauthorized use of information systems and resources);

- illegal actions of third-party (third) parties (forgery and / or forgery of payment and other documents, unauthorized entry into information systems);
- violation of labor legislation by the Bank or its employees (violation of the terms of an employment contract, harm to the health of employees);
- violations of other legislation (including banking legislation on combating the legalization (laundering) of proceeds from crime and the financing of terrorism);
- non-fulfillment or improper fulfillment of obligations arising from contracts related to the main activity to customers, counterparties and / or other third parties;
- violations of business customs (improper use of confidential information, imposition of services, price collusion);
- damage or loss of fixed assets and other tangible assets (as a result of acts of terrorism, natural disasters, fire);

- failure of equipment and systems (failure of ABS "Diasoft 5NT", SWIFT terminal, other communication facilities, equipment breakdown);

- improper organization of activities, management and execution errors (imperfection of the security system and / or procedure for access to information, incorrect organization of intra bank information flows, failure to fulfill their obligations by service providers (performers of work) to the Bank, errors in entering and processing data on operations and transactions, loss of documents, etc.).

Operating losses can manifest themselves in the form of:

- reducing the value of assets;
- early write-off (disposal) of tangible assets;
- cash payments based on decisions (decisions) of courts, decisions of bodies authorized in accordance with the legislation of the Russian Federation;
- cash payments to customers and counterparties, as well as to employees of the Bank in order to compensate them out of court for losses incurred by them through the fault of the Bank;
- costs for restoration of economic activity and elimination of the consequences of errors, accidents, natural disasters and other similar circumstances;
- other losses.

The operational risk management system consists of the following stages:

- identification of operational risk;
- assessment and analysis of the level of operational risk;
- monitoring of operational risk;
- control over the efficiency of operational risk management;
- a system of measures to minimize the level of operational risk.

Identification of factors of the presence of operational risk involves the analysis of all conditions of the Bank's functioning for the presence or the possibility of occurrence of factors (sources) of operational risk, which can be carried out at several levels:

- analysis of changes in the financial sector as a whole (for example, the introduction of new technologies or financial innovations), which may have an impact on the Bank's performance;
- analysis of the operational risk exposure of the areas of activity, taking into account the priorities of the Bank;
- analysis of individual banking operations and other transactions;
- analysis of internal procedures, including the reporting and information exchange system.

All innovations made by the Bank - changes in the structure or procedures, the introduction of new services and technologies (including with the use of outsourcing - involving a specialized third-party organization (service provider) to perform certain types of work), the development of new areas of activity - at the development stage are thoroughly analysis to identify operational risk factors.

Heads of divisions (responsible persons) are responsible for identifying and assessing operational risk in accordance with the requirements of the Bank of Russia and the Bank's internal documents in the area of operational risk management. In order to educate employees about operational risks that may arise in connection with the performance of their official duties, the RMS advises (instructs) managers and employees of the Bank (responsible persons) on operational risk management at least once a year. Information on the briefing on identifying the Bank's operational risks is drawn up in writing and stored in the Bank's RMS for at least 5 years.

At the stage of identifying the factors of the presence of operational risk, special attention is paid to cases of overlapping powers and responsibilities of divisions and employees of the Bank.

The identification of operational risk factors is carried out by all divisions of the Bank, since operational risk can manifest itself in any area of work. In structural divisions, the heads of divisions are responsible for identifying operational risk and initial assessment.

All identified risk factors are classified depending on the degree of significance on a five-point scale:

Severity	Points awarded
Insignificant	1
Medium materiality	2
Substantial	3
Serious	4
Critical	5

In accordance with the above scale, the responsible persons (heads of departments) fill out an assessment table for identifying operational risk factors (if any) and their positive impact on them. At the same time, the factors of positive influence are also classified on a five-point scale:

The degree of positive influence	Points awarded
Insubstantial	1
Medium materiality	2
Substantial	3
Significant	4
Crucial	5

The identified risk factors according to the degree of urgency and significance are subdivided into: urgent, medium urgency, non-urgent. The responsible person informs his manager, the ABS and / or RMS system administrator about urgent cases, depending on the nature of the operational failure, before including them in the assessment table. In the event of unforeseen emergency events, all employees of the Bank are guided by the Action Plan aimed at ensuring the continuity of operations and (or) restoration of the Bank's operations in the event of unforeseen circumstances (hereinafter - the C&RA Plan). The responsible person informs the RMS about other cases by providing him with the scorecard in electronic form.

When compiling assessment tables, heads of structural divisions use a system of indicators for monitoring operational risk in their work, which can be expressed not only in identifying risk factors, but also have quantitative and (or) financial values (including actual and (or) potential operational loss, missed benefit or decrease in the level of the Bank's business reputation).

Internal indicators of an increase in the level of operational risk include:

- a significant increase in the number and severity of operational errors of employees due to various reasons;
- increasing the frequency of computer failures, equipment malfunctions;
- regular late submission of internal and external reporting;
- customer complaints about poor service; data on failed banking transactions;
- long-term non-filling of vacancies in intense work areas;
- staff turnover in tense areas of work;
- systematic non-compliance by employees with the requirements of internal regulatory documents, requirements for information security, corporate ethics rules, etc.;

- violation of labor discipline;
- systematic violation of safety measures at workplaces, other cases that may lead to technical problems and (or) accidents;
- others.

External indicators are described below.

Based on the results of compiling the assessment tables of the Bank's RMS, the estimated score for identifying the factors of operational risks for this structural unit is displayed. At the same time, this score cannot serve as an assessment of the effectiveness of the unit itself, since the reasons for operational failures may lie outside its boundaries.

In order to ensure the conditions for the effective identification of operational risk, as well as its assessment, the Bank has created and maintains an internal analytical database on incurred operational losses (operational events) of the Bank (hereinafter - the internal database) and an external database of the implementation of operational risks in other credit institutions (collection of data on operational incidents is carried out weekly using the media - newspapers, magazines, the Internet, television, etc.). The Center of Competence (DB Administrator), where information about operational events is collected, is the Bank's RMS. To ensure the unification of approaches and comparability of data, the classification of business processes by business lines, a catalog of loss types, a classification of the Bank's activities and types of operational events are used.

The authorized persons responsible for collecting data on operational incidents are the heads of the Bank's divisions. The internal database records data on operational events that have occurred, including data on losses incurred by the Bank caused by the described events, indicating the processes / operations in which an operational failure / event took place, a description of the event, a description of the causes of the event, a description of the type of losses, etc.

The Bank uses three stages of data entry into the operational events database:

- stage of preliminary description of the event;
- stage of assessing the consequences of the event;
- the stage of evaluating data entry procedures and results.

The Bank carries out an assessment of the level of operational risk in two stages:

- formation of a report of the structural unit on the identification of operational risk;
- formation of a consolidated report on the level of weighted operational risk by the Risk Management Service based on the reports of structural divisions on the identification of operational risk.

For the purposes of calculating the capital requirement to cover operational risk, the Bank applies the basic indicator approach (BIA) for calculating operational risk recommended by the Central Bank of the Russian Federation in Regulation № 652-P dated 03.09.2018 "Regulations on the Procedure for Calculating the Size of Operational Risk".

As of 01/01/2022, operational risk (excluding the coefficient of 12.5) amounted to 41,035.00 thousand rubles (as of 01/01/2021 - 51,066 thousand rubles), the equity (capital) adequacy ratio was 85.925%. The use of this method of assessing operational risk allows you to identify weaknesses and strengths in its management. The level of operational risk (tolerable) $\leq 30\%$ is considered "low", and the levels of operational risk above the tolerable level are considered "medium" and "high" levels, requiring the application of measures to minimize it.

The officials and divisions included in the Bank's operational risk management system include

- Board of Directors;
- Executive Committee;
- President;

- Risk Management Service (RMS);
- Legal Department;
- Chief Accountant;
- Responsible person for combating legalization (laundering) of proceeds from crime and financing of terrorism);
- Information Technology Department, Information Security Division;
- Internal Audit Service (IAS);
- Internal Control Service (ICS);
- Responsible persons for identifying operational risks.

Moreover, each structural unit has its own specific functions in the operational risk management system.

Responsible persons for the control of operational risks are appointed heads of structural divisions, whose competence includes:

- identification and assessment of operational risks in the areas of work assigned to them in accordance with the approved Methodology of the Bank;
- development of measures to eliminate the causes leading to the emergence of operational risks; work to eliminate shortcomings in the risk management system;
- timely delivery of comprehensive information on identified operational risks to the Bank's RMS;
- compliance with the requirements of the internal and external regulatory framework, organization of the technological process in such a way as to exclude the possibility of operational risk at all stages of its activity.

The RMS carries out an analysis of operational risk, which consists of 5 stages:

- assessment of the level of operational risk in order to determine the adequacy (sufficiency) of the Bank's equity (capital);
- assessment of the level of operational risk based on monitoring (identification) indicators;
- assessment of the current level of operational risk;
- assessment (calculation) of the inherent operational risk;
- assessment (calculation) of residual operational risk.

As of 01.01.2021, the level of operational risk in order to determine the adequacy (sufficiency) of the Bank's own funds (capital) and according to monitoring indicators is assessed as low, the current level of operational risk - as medium (to assess the current level of operational risk, the Bank's RMS uses the scoring method of these risks through the analysis of external indicators of the Bank's activity):

№	INDICATOR NAME	As of 01.01.2022	Points
1	Share of losses from the realization of operational risks in total costs, %	-0,00877%	2
2	Share of costs associated with operational risk management in total costs, %	3,72012%	2
3	The ratio of costs associated with of operating risk management to equity, %	4,35660%	2

4	The ratio of the basic indicator of operational risk (15 % of gross income) to equity, %	1,69673%	2
5	Results of stress testing of operational risk , number of units	13	3
6	Share of losses from the realization of operational risks in capital ,%	0	1
6	TOTAL:		12

Minimization of operational risk involves the implementation of a set of measures aimed at reducing the likelihood of occurrence of events or circumstances leading to operating losses, and / or at reducing (limiting) the amount of potential operating losses. Operational risk mitigation methods are applied taking into account the specific nature of emerging risks.

The main method for minimizing operational risk is the development of an organizational structure, internal rules and procedures for banking operations and other transactions in such a way as to exclude (minimize) the possibility of operational risk factors. At the same time, special attention is paid to the observance of the principles of separation of powers, the procedure for approval (agreement) and accountability for ongoing banking operations and other transactions.

The Bank also applies other methods (methods) to minimize the level of operational risk:

- standardization of banking operations and other transactions (procedures, procedures, technologies for carrying out operations and transactions, concluding agreements);
- organization of a system of additional and subsequent control, systems of ongoing verification of ongoing transactions and operations;
- analysis of the impact of operational risk factors (both in aggregate and in the context of their classification) on the Bank's performance indicators;
- raising the level of qualifications of personnel;
- automation of banking processes and technologies, especially in areas related to standard operations and large volumes of work;
- distribution of responsibilities between departments, taking into account the optimization of the load on individual employees;
- providing employees with a regulatory framework that is as adequate as possible to internal and external requirements.

The reporting on operational risk is prepared by the Bank's RMS in accordance with the requirements of the Bank of Russia.

ICAAP reporting includes, but is not limited to, the following information

- on the aggregate amount of operational risk accepted by the Bank;
- on the use of approved limits and capital adequacy of the Bank in relation to operational risk;
- on the facts of violation by the Bank's divisions of the established limits and the achievement / failure of the signal values of the operational risk, as well as the measures taken to resolve the identified violations;
- on the fulfillment of mandatory standards;
- on the results of stress testing of operational risk;
- on the results of the self-assessment of the operational risk and operational risk management of the Bank;
- on the results of forecasting the financial performance of the Bank in terms of the operational risk of the Bank;
- other information related to the operational risk of the Bank.

At least 4 times a year, the RMS reports on the level of operational risk to the Board of Directors of the Bank.

7.9.Foreign exchange risk management.

Currency risk - the risk of losses due to unfavorable changes in the rates of foreign currencies and / or precious metals on the positions opened by the Bank in foreign currencies and / or precious metals.

The Bank organizes a foreign exchange risk management system for the following purposes: avoidance of possible losses due to fluctuations in market prices;

- compliance with the requirements of the Bank of Russia to ensure the financial stability of the Bank;
- ensuring compliance with the legitimate interests of the Bank and its clients when working with foreign exchange instruments.

The main task of creating a currency risk management system is to maintain the Bank's open positions at a level that does not threaten its financial position.

Foreign exchange risk management - assessment of foreign exchange risks, control of financial transactions, allowing to fully or partially reduce the risk of losses arising in connection with the expected change in the exchange rate. The bodies in charge of foreign exchange risk management are the Department of Foreign Exchange Control and International Sales of the Bank - Vice President of the Bank (foreign exchange control).

The foreign exchange risk management process includes the following steps:

- identification of the content and assessment of the level of foreign exchange risk in connection with transactions with foreign currency;
- determination of sources and volumes of information required to assess the level of currency risk;
- selection and adoption of a method for minimizing currency risk.

The main methods of risk management in order to minimize them when conducting foreign exchange transactions are:

- forecasting rates;
- control of an open foreign exchange position;
- limiting.

The Bank can also use other methods, such as:

- hedging is a balancing transaction aimed at minimizing risk;
- diversification - distribution of assets and liabilities by various components;
- insurance.

Foreign exchange risk management is carried out by the Bank in accordance with the requirements of the Central Bank of the Russian Federation Instruction № 178-I dated 28.12.2016 "On setting the size (limits) of open foreign exchange positions, the methodology for calculating them and the specifics of supervising their observance by credit institutions" and includes:

- limiting open currency positions by limits;
- constant control (monitoring) of open foreign exchange positions.

№ i/n	Indicator	As of 01.01.2021	As of 01.01.2022
1	OCP.	57 969	16 729

1.1	Ruble equivalent of OCP (euro).	5 880	2 280
1.2	Ruble equivalent of OCP (Indian rupees).	1 346	3 351
1.3	Ruble equivalent of OCP (U.S. dollars).	50 743	11 098
2	Potential income(loss).	57 969	16 729
3	Own funds(capital) of the Bank.	2 142 787	2 251 561
4	OCP from own funds(capital) of the Bank, in %	2,71	0,74

The analysis of currency risk is carried out by the Bank's RMS at least once a month. At the same time, both quantitative and qualitative indicators of currency risk are taken into account: the ratio of the calculated currency risk as of the reporting date, the coefficient of the currency risk, the level of the Bank's currency activity in the foreign exchange market, the coverage ratio of currency transactions, potential income (loss), the number of violations of open currency position, the number of potential of revealed violations N1.0, indicator of stress testing of currency risk.

Daily monitoring of the value of the Bank's currency risk is carried out by the Accounting Department and the Bank's RMS in terms of the impact on the adequacy of the Bank's own funds (capital) N1.i2. If a trend of a critical increase in the amount of currency risk is detected, an employee of the Accounting Department or RMS brings this information to the attention of the Bank's management in order to take the necessary measures to minimize the amount of currency risk specified in the Policy on currency risk management in the Bank.

As of 01.01.2021, the Bank's foreign exchange risk is assessed as low.

The limits of open currency positions are approved in the Risk and Capital Management Strategy of the Bank, namely:

the sum of all long (short) open currency positions in certain foreign currencies does not exceed 20% of the Bank's capital on a daily basis;

– any long (short) open exchange position (OCP) in a separate foreign currency, as well as a balancing position in rubles, does not exceed 10% of the Bank's capital on a daily basis;

– OCP regulation through foreign currency purchase and sale transactions is carried out only with the largest Russian commercial banks.

Methods for reducing foreign exchange risk are actually methods of internal control and imply the following measures:

– separation of functions - conducting transactions, settlements on them and their accounting should be carried out by different employees;

– independent assessment of performance - the performance of an employee or unit should be assessed by independent units that are not interested in distorting the results.

The existence and effective functioning of the control system as a tool for managing banking risks is based on the following principles from among the principles of organizing internal control: comprehensiveness of internal control, coverage of all organizational structures and divisions of the Bank by control procedures, multilevel nature of internal control. IAS carries out inspections of foreign exchange risk management or its individual elements in accordance with the plan of its activities or on the instructions of management.

Analysis of the impact of changes in exchange rates on the size of the financial results and equity (capital) of the Bank.

The main goals and objectives of stress testing the Bank's currency risk are:

- assessment of the impact of changes in exchange rates on the size of the Bank's financial results;
- assessment of the impact of changes in exchange rates on the size of the Bank's own funds (capital);
- assessment of the financial stability of the Bank, the adequacy of its own funds (capital);
- determination of the Bank's currency risk;
- compliance of the Bank with the requirements of supervisory authorities

The main method of stress testing currency risk is scenario analysis. Within the framework of the scenario analysis of foreign exchange risk, the Bank determines the following scenarios for the occurrence of events or circumstances related to foreign exchange risk:

- moderate scenario - change in the official exchange rate of the ruble against foreign currency by 10%;
- stress scenario - a change in the official exchange rate of the ruble against foreign currency by 30%.

The impact of changes in exchange rates on the size of the financial results and equity (capital) of the Bank is determined on the basis of stress testing carried out on a quarterly basis.

As of January 1, 2022, the Bank has an excess of balance sheet assets in foreign currencies over balance sheet liabilities in foreign currencies in the amount of 16,569 thousand rubles. If the Bank has an excess of balance sheet assets in foreign currencies over balance sheet liabilities in foreign currencies, then stress testing is carried out according to the following scenario: moderate - an increase in the official exchange rate of the ruble against a foreign currency by 10%, stress - an increase in the official exchange rate of the ruble to foreign currency by 30%. Due to the excess of the balance sheet foreign exchange assets (1,067,380) thousand rubles over foreign exchange liabilities (1,050,811 thousand rubles), both scenarios will lead to a decrease in financial results and equity (capital) of the Bank.

According to Form №. 0409807, as of January 1, 2022, the Bank received a profit (excluding other comprehensive income) in the amount of 62,587 thousand rubles. In accordance with the stress testing scenarios: in the event of a 10% depreciation of the ruble, the profit will decrease to 61,596 thousand rubles; in the event of a 30% depreciation of the ruble, the Bank will receive a profit in the amount of 59,615 thousand rubles.

According to Form №. 0409806, as of January 1, 2022, the Bank's own funds (capital) amounted to 2,329,467 thousand rubles. In accordance with the stress testing scenarios: in the event of a 10% appreciation of the ruble, the amount of capital will increase to 2,329,566 thousand rubles; in the event of an increase in the ruble exchange rate by 30%, the amount of capital will increase to 2,330,359 thousand rubles.

According to the data of Form №. 0409813, as of January 1, 2022, the Bank's own funds (capital) adequacy ratio N1.0 was 86.056%. In accordance with the stress testing scenarios: in the event of a 10% appreciation of the ruble, the Bank's own funds (capital) adequacy ratio N1.0 will be 88.600%; if the ruble exchange rate rises by 30%, the Bank's own funds (capital) adequacy ratio N1.0 will be 88.030%.

The stress test values of the equity (capital) adequacy ratio meet the requirements of the Bank's internal documents in the field of ICAAP, exceeding the lower threshold value of the Bank's equity (capital) adequacy ratio established by the Bank of Russia.

7.10. Liquidity risk management.

Liquidity risk - the risk of the Bank's inability to finance its activities, that is, to ensure the growth of assets and fulfill obligations as they fall due without incurring losses in an amount that threatens the financial stability of the Bank.

There are no significant changes in the organizational structure of the Bank in terms of liquidity risk management and liquidity risk factors as compared to the previous accounting (financial) statements.

The main objectives of the Bank's liquidity management:

- ensuring the Bank's ability to timely and fully fulfill its monetary and other obligations arising from transactions with the use of financial instruments;
- identification, measurement and determination of an acceptable level of liquidity
- determination of the Bank's need for liquid funds;
- constant monitoring of the liquidity state;
- taking measures to maintain the financial stability of the Bank and the interests of its creditors and depositors at a non-threatening level of liquidity risk.

In the process of liquidity management, the Bank is guided by the following basic principles, but not limited to them:

- daily and continuous liquidity management;
- the absence of contradictions between the applied methods and instruments for assessing liquidity risk with the regulatory documents of the Central Bank of the Russian Federation, the Bank's policy in the field of risk management;
- clear distribution of powers and responsibilities for liquidity management between governing bodies and divisions;
- setting limits to ensure an adequate level of liquidity and corresponding to the size, characteristics and financial condition of the Bank;
- the presence of a constant information flow about future receipts or write-offs of funds between the structural divisions and the Bank's RMS in order to form a payment calendar and plan the need for liquid funds;
- the conflict between liquidity and profitability is always resolved in favor of liquidity;
- each deal affecting the liquidity state is taken into account in calculating the liquidity risk;
- major transactions are preliminarily analyzed for their compliance with the current state of liquidity and established limits;
- forecasting the state of liquidity, taking into account scenarios of negative developments for the Bank of events related to the state of the market, the position of debtors, creditors and other factors affecting the state of the Bank's liquidity.

The emergence of liquidity risk can be caused by the following internal and external factors:

- mismatch of the terms of claims on active operations with the maturity dates on passive operations;
- reducing the amount of the Bank's own funds (capital) to the degree of approaching the discrepancy between the actual values of the Bank's mandatory liquidity ratios and the values established by Instruction № 199-I;
- a high degree of concentration of the Bank - a significant dependence on one sector of the financial market or on a small number of clients in terms of attracting deposits;
- loss of the Bank's reputation;
- a high degree of concentration of credit risk, that is, concentration of a large amount of loans issued to one borrower or a group of related borrowers;
- changes in the political and economic situation in the country, resulting in a decrease in demand for lending;

- loss of general confidence in the banking system, expressed in the outflow of deposits and deposits;
- manifestations of the consequences of an increase in credit risk (failure to fulfill, untimely or incomplete fulfillment by borrowers of financial obligations to the Bank);
- changes in the current legislation (if these changes affect the conditions for raising / placing funds in banks).

The liquidity risk management system is an integral part of the asset and liability management system and includes two main components:

- management of instant (short-term) liquidity carried out by the Department of Treasury Operations, International Settlements and Currency Control on an ongoing basis in real time;
- management of medium-term and long-term liquidity carried out by the Financial, Credit and Executive Committees of the Bank in order to achieve an optimal balance of risk and profitability.

The acceptable level of liquidity risk is determined by the Board of Directors of the Bank as part of the Bank's Risk Appetite. The Bank's Finance, Credit and Executive Committees use a system of indicators and liquidity risk limits in order to ensure the ability to cover both expected and non-expected cash outflows at any time. These indicators are calculated taking into account the scenario approach and include: analysis of liquidity gaps (gap analysis), liquidity ratios, resource base concentration ratios, and others.

The Bank establishes liquidity risk management procedures covering its various forms:

- risk of balance sheet liquidity;
- the risk of unforeseen liquidity requirements;
- market liquidity risk;
- funding risk

In the process of liquidity management, the Bank is guided by the following principles:

- liquidity management is carried out daily and continuously;
- clear division of powers and responsibilities for liquidity management;
- the absence of contradictions with the regulatory documents of the Central Bank of the Russian Federation of the applied methods and tools for assessing liquidity risk, policy in the field of risk management;
- ensuring the independence of the subdivision responsible for developing procedures for identifying, assessing, monitoring and controlling the level of liquidity risk, developing and implementing management reporting on liquidity risk from the subdivisions responsible for managing assets and liabilities;
- setting limits to ensure an adequate level of liquidity and appropriate to the size, nature of the business and the financial condition of the Bank;
- resolution of the conflict between liquidity and profitability in favor of liquidity;
- taking into account the liquidity risk of each transaction affecting the state of liquidity;
- strict consideration of the urgency of the source of resources and its volume when placing assets in various financial instruments;
- preliminary analysis of major transactions for their compliance with the current state of liquidity and established limits;
- implementation of planning the need for liquid funds.

Liquidity risk management procedures have been adapted in the ICAAP of the Bank through the application of coordinated regulations for actions of all departments and management bodies of the Bank in such a way that they do not create problems for the implementation of procedures for managing other risks of the Bank and its capital. Such consistency of the

Bank's risk and capital management procedures is regularly checked by the Bank's IAS within the framework of assessing the effectiveness of the ICAAP.

As part of risk management of unforeseen liquidity requirements:

- The Bank maintains at a sufficient level the ability to compensate for arising liabilities at the expense of the expected inflow of assets and a comfortable level of available capital (the level of the Bank's equity (capital), at which the ratios of equity (capital) adequacy N1.0 will be higher than those established by the Central Bank of the Russian Federation);

- The Bank discloses information about the Bank's liquidity and its need for financing in the event of various scenarios as part of management reporting in the area of ICAAP (stress testing) to the Bank's participants in order to inform the latter for the possible attraction of additional liquidity (cash).

Within the framework of the liquidity funding risk, the following levels of its measurement and planning can be distinguished:

- structural liquidity risk - associated with the consideration of long-term or strategic liquidity indicators for a period of more than one year (for its assessment, ratios and gaps (gaps) are calculated, funding sources are considered, etc.);

- tactical liquidity risk - conceptually inseparable from the previous risk, but establishes a short-term (operational) aspect of cash flow and intraday liquidity management (cash and collateral management);

- unforeseen (accidental) liquidity risk - includes stress testing using sensitivity analysis and / or scenario modeling in order to determine liquidity ratios in the event of implementation of unlikely but plausible crisis circumstances with the choice of an appropriate adequate algorithm of actions, as well as in order to create the necessary "cushion" "Liquid assets (standard of instant liquidity N2).

Liquidity risk analysis is carried out for all the Bank's operations and allows to determine possible periods and reasons for a potential liquidity shortage.

Liquidity risk management consists of the following stages:

- identification of liquidity risk;
- analysis (assessment) and monitoring of liquidity risk;
- control to minimize liquidity risk.

To achieve the goals and solve problems in liquidity risk management, the Bank uses the following methods:

- system of powers and decision-making;
- information system;
- liquidity risk control system;
- organizing access to the markets for resources and consumers of the Bank's services.

In order to minimize the liquidity risk, the Bank uses the following methods:

- regulation of operations subject to liquidity risk (defined in the relevant regulatory internal documents of the Bank in relation to all divisions);
- limiting;

- requirements for equity (capital) and maintenance of the Bank's capital adequacy in relation to liquidity risk.

Responsible persons for managing the current and intraday payment position are the Deputy President (operations and reporting) and the head of the Treasury Operations, International Settlements and Currency Control Department (hereinafter - Responsible Persons). All information on the movement of cash flows in the currency of the Russian Federation and in foreign currency is available daily online in the Diasoft ABS.

Periodic review of the liquidity state within the framework of current liquidity risk management is carried out as required by the RMS of the Bank - the current and forecast state of short-term liquidity is monitored based on the forecast of the need for resources in the short-term period.

The Bank's assets and liabilities are managed by the Bank's Executive Committee. The main goal of asset and liability management (hereinafter referred to as the method of managing the liquidity of the Bank's balance sheet) is to maintain such a state of the structure of the Bank's assets and liabilities by type and maturity, which would allow the Bank to:

- ensure timely fulfillment of obligations;
- satisfy customers' demand for credit resources;
- maintain a reputation among clients and counterparties of the Bank as a reliable financial institution paying special attention to liquidity risk management.

The method of managing the liquidity of the Bank's balance sheet includes:

- analysis of the Bank's liquidity indicators;
- analysis of the gap in the maturity of claims and liabilities, grouped by maturity;
- setting appropriate limits and rates for raising / placing funds for individual instruments and (or) terms;
- development of scenarios and measures to restore the Bank's liquidity;
- control over the implementation of the established procedures for liquidity risk management.

If the value of the liquidity deficit ratio falls below the established limit, the Bank takes appropriate measures to manage liquidity, as reflected in the Bank's internal documents in the area of ICAAP.

When managing foreign exchange assets and liabilities, the limitation of the amount of foreign exchange liquidity of the OCP Bank is taken into account, and to coordinate foreign exchange assets and liabilities by maturity, a payment calendar of cash flows is used, which allows you to buy / sell the required currency in advance.

Liquidity gaps are used to assess the funding liquidity risk. The calculation takes into account the amount of funds that the Bank can raise in the shortest possible time to fund its liabilities. The risk of funding liquidity is closely related to the interest rate risk, since the inability to raise funds can be viewed as a sharp rise in interest rates on attracted resources. Thus, the indicators characterizing the interest rate risk can serve as an indirect assessment of the funding liquidity risk.

In the process of analyzing liquidity risk, an analysis of the Bank's dependence on operations in the interbank market, operations of large customers and concentration of credit risks is carried out. In order to minimize this risk, the Bank strives to maintain a stable resource base, consisting mainly of deposits of legal entities, deposits of the population and funds of other banks.

The Bank maintains a liquidity level sufficient to meet all the requirements of the Bank of Russia, and also exercises control over compliance with liquidity risk limits and control over the Bank's instrument portfolios in order to identify new forms of risk concentration not covered by liquidity risk management procedures (established by the system of liquidity risk limits).

Control over compliance with the liquidity ratios established by the Bank of Russia is primarily exercised on a daily basis by the Bank's Accounting and Reporting Department. The calculated liquidity ratios of the Bank show that the current values are an order of magnitude higher than the standard level, which reflects the Bank's ability to ensure the fulfillment of its existing obligations to customers.

As of 01/01/2022, their values, according to the data of section I of form 0409813, amounted to:

- the instant liquidity ratio (N2) was fulfilled by 111.223% (329.395% as of 01.01.2021), with the minimum standard value of the Bank of Russia being 15%;
- the current liquidity ratio (N3) was fulfilled by 135.509% (as of 01.01.2020 - 219.438%), with the minimum standard value of the Bank of Russia 50%;
- the long-term liquidity ratio (N4) was fulfilled by 20.273% (20.273% as of 01/01/2020), with the Bank of Russia's maximum standard value of 120%.

Thus, the liquidity risk is limited in the Bank by the mandatory liquidity ratios (N2, N3 and N4), as well as by the approved limits on the accumulated gap ratio for various periods remaining to maturity (demand) according to the data of Form 0409125, which is presented in the following table.

Indicator name	As of 01.01.2022				
	TOTAL ASSETS	TOTAL LIABILITIES	Off-balance sheet commitments and guarantees issued by the Bank	EXCESS(DEFICIENCY) OF LIQUIDITY	LIQUIDITY EXCESS(DEFICIENCY) RATIO
Up to/over and for 1 day	1 874 676	1 632 794	0	241 882	14,81
Up to 5 days	1 874 676	1 632 794	0	241 882	14,81
Up to 10 days	2 790 341	2 450 937	0	339 404	13,85
Up to 20 days	4 395 604	2 492 083	0	1 903 521	76,38
Up to 30 days	4 395 604	2 522 601	0	1 873 003	74,25
Up to 90 days	4 429 003	2 619 653	149 632	1 659 718	63,36
Up to 180 days	4 466 167	2 658 813	157 434	1 649 920	62,05
Up to 270 days	4 523 482	2 753 062	176 432	1 593 988	57,90
Up to 1 year	4 610 564	2 757 559	196 312	1 656 693	60,08
Over 1 year	5 135 622	3 039 783	385 117	1 710 722	56,28

According to the data in the table of form 0409125, the Bank has a surplus of liquid funds for all maturities remaining to maturity (demand).

In carrying out the activities of the Bank, conflicts of interest may arise between the liquidity and profitability of the Bank. The occurrence of this problem can be identified by the RMS or IAS. In the event of a conflict of interest, this issue should be submitted for consideration by the Executive Committee of the Bank at the next scheduled or unscheduled meeting. When making decisions, the Executive Committee of the Bank resolves the conflict between liquidity and profitability in favor of liquidity (the result may be a proposal to change the structure of assets and liabilities to the Executive Committee of the Bank).

The Bank's liquidity risk as of 01.01.2022 is assessed as *low*, there is a positive result for the Bank of liquidity risk monitoring (indicators of early warning of liquidity risk are at a low level), no need to take urgent measures to reduce the Bank's liquidity risk and preserve capital, all limit violations were not identified, the Bank's mandatory ratios are being met, the amount of the Bank's "Liquidity cushion" is sufficient. In order to maintain liquidity, as of January 1, 2022, the Bank has deposits placed with the Bank of Russia in the amount of 2,513,600 thousand rubles, and also has the opportunity to raise funds from the State Bank of India.

The Bank conducts stress testing of liquidity risk at least once a year.

The main goals and objectives of stress testing the Bank's liquidity risk are:

- assessment of the financial stability of the Bank, the adequacy of its own funds (capital);
- determination of the level of the Bank's liquidity risk in order to determine the materiality of the liquidity risk, as well as planning the liquidity risk as part of the Bank's Risk Appetite.

As part of this stress testing method, an analysis of the liquidity state is carried out using scenarios of a negative development of events for the Bank, namely, a forecast of factors, an increase in rates (an upward shift of interest rates by 10% relative to the base date, a decrease in the dollar exchange rate by 5% relative to the base date, a decrease in stock indices by 15% relative to the base date, an increase in the probability of default by 10% relative to the base date) and an increase in volatility (an increase in the volatility of interest rates by 1.5 times, an increase in the volatility of the dollar exchange rate by 2 times, an increase in the volatility of stock indices by 2.5 times, an increase in volatility default probability by 1.5 times).

According to the liquidity risk stress testing, as of January 1, 2022, all considered liquidity risk stress testing scenarios are generally not critical for the Bank.

7.11. Concentration risk management.

Concentration risk is the risk arising from the Bank's exposure to major risks, the realization of which may lead to significant losses that could threaten the Bank's solvency and its ability to continue as a going concern.

The main goal of concentration risk management is to maintain an acceptable, non-threatening solvency of the Bank, the level of concentration risk and ensure timely control and response to the likelihood of major risks.

The Bank is guided by the following principles in the area of concentration risk management:

- separation of powers and responsibilities for concentration risk management between governing bodies and departments;
- setting limits to ensure an adequate level of concentration risk and corresponding to the size, nature of the business and the financial condition of the Bank;
- stress analysis of negative options for the occurrence of risk cases, assessment of the system for responding to this risk;
- improvement of mechanisms and methods of concentration risk management.

Concentration risk management consists of the following steps:

- identification and assessment (analysis) of concentration risk;
- monitoring and control of concentration risk;
- regulation of concentration risk.

Risk concentration - concentration of claims (liabilities), positions on financial instruments relative to an individual client or a group of related clients, as well as clients belonging to certain sectors of the economy or to geographic regions, countries, as well as relative to a financial instrument, currency type and other characteristics of positions under a risk that can lead to sufficiently large losses (in relation to the amount of the bank's regulatory or economic capital, the amount of assets, liabilities or the general level of risk) and pose a threat to the financial condition of the bank or its ability to carry out core activities.

For the purpose of efficient management of concentration risk and compliance with the established limits, the Bank has organized a system for monitoring transactions with financial instruments subject to concentration risk.

When assessing concentration risk, the Bank uses the following components: the concentration indicator of the loan portfolio, the ratio of the total amount of the Bank's claims to the 30 largest counterparties to the total amount of assets, the ratio of the total amount of the Bank's claims to the 30 largest counterparties to its own funds (capital), the ratio of the total the amount of funds of large creditors (10 counterparties) to the total amount of liabilities, the indicator of the concentration of liabilities with a term "on demand" in the borrowed funds, the indicator of the concentration of debt on credit claims by geographic zones, the indicator of debt concentration on credit requirements by economic sectors, the indicator of the Bank's dependence on certain types of income, the standard for the maximum amount of risks per borrower or a group of related borrowers (N6), the standard for the maximum size of large credit risks (N7), the indicator for the concentration of risk on owners, the indicator stress testing of concentration risk, an indicator of the concentration of the volume of claims on counterparties denominated in one currency, etc. These components of concentration risk assessment allow making management decisions in relation to banking products for clients. In order to assess the level of concentration risk of the Bank, taking into account the relationship between certain types of risks, a set of internal indicators of concentration risk is used.

In 2020, the maximum risk limit per borrower or a group of related borrowers (N6) decreased by 0.14% (the maximum allowable value is 25%) and amounted to 5.87% as of January 1, 2021; the norm of the maximum amount of large credit risks (N7) decreased by 22.565% (the maximum allowable value is 800%) and by 01.01.2021 was 0.00%.

As of January 1, 2021, the maximum risk limit per borrower or group of related borrowers (N6) (the maximum allowable value is 25%) was 8.32%; the norm of the maximum amount of large credit risks (N7) (the maximum allowable value is 800%) amounted to 27.091%.

Indicator of the Bank's dependence on certain types of income

Name of the type of income	As of 01.01.2022	
		in %
Net interest income	135 512	64,51%
Fee and commission income	13 363	6,36%
Net income from foreign exchange transactions	5 632	2,68%

Net income from transactions with securities measured at fair value through other comprehensive income	11 355	5,41%
Net income from transactions with securities measured at amortized cost	0	0,00%
Net income from foreign currency revaluation	7 134	3,40%
Other operating income	37 064	17,64%
Total:	210 060	100%
Indicator of the Bank's dependence on certain types of income	45,61%	

As of 01.01.2021, the concentration risk is assessed as low, the possibility of the Bank to incur potential losses that could significantly worsen its financial condition and arising in connection with the concentration of activities in certain types of activities and sectors of the economy, as well as with certain borrowers in general for the Bank is small.

Concentration risk minimization involves the implementation of a set of measures aimed at reducing the likelihood of occurrence of events or circumstances leading to losses, and (or) at reducing (limiting) the amount of potential losses. The Bank has developed certain methods for regulating concentration risk.

Reservation. The most effective method to reduce the level of concentration risk for various portfolios of the Bank is reservation. This method is aimed at protecting the interests of depositors, creditors and participants, while improving the quality of portfolios and the reliability of the Bank. Reservation is carried out with the aim of avoiding losses by assessing the risks for all transactions subject to reservation.

Limiting. By setting limits, the Bank manages to avoid critical losses due to reckless concentration of any type of risk, as well as diversify its loan portfolio and ensure stable income. Limits are expressed both in absolute limit values and in relative terms.

Other methods to reduce the level of concentration risk that the Bank can use:

- an increase in the Bank's own funds (capital);
- diversification of the loan portfolio, carried out by distributing loans to various categories of borrowers, terms of provision, types of collateral, by industry basis (allows the Bank to ensure the possibility of reimbursing credit losses at the expense of the borrower's property, acting as collateral for the loan);
- conducting operations (transactions) aimed at transferring part of the concentration risk to a third party, selling the Bank's assets (loan portfolios and other assets);
- carrying out work on early repayment of loans granted to a borrower or a group of related borrowers in order to promptly reduce the risk of concentration;
- development and implementation of new banking products and services in order to attract new customers and reduce the risk of concentration of large creditors;
- reducing the risk of concentration by tightening the credit policy in terms of reducing the limits for one borrower (group of related borrowers) and (or) industry limits (if established), reducing other limits on concentration on the placement of funds;
- conducting a more in-depth analysis of the creditworthiness of counterparties in relation to operations (transactions) with which there is an increased concentration risk;
- attraction of additional collateral for counterparties with significant concentration in the Bank's assets.

If a high level of concentration risk is identified, the Bank's management bodies, within the framework of their powers, take appropriate measures to reduce the level of risk concentration.

Concentration risk stress testing is applied in relation to the amount of concentration risk (indicators of concentration risk) of the Bank for a calendar year. The main method of stress testing the level of concentration risk is scenario analysis (based on hypothetical events).

As part of the modeling method (scenario analysis) of the concentration risk level, the Bank has identified the following Scenarios for the occurrence of events or circumstances related to the concentration risk:

- growth of net interest income by 30%, decrease in capital by 10%;
- an increase in the concentration of debt on credit claims by geographic zones by 25%, an increase in the ratio of the total amount of the Bank's claims to the 30 largest counterparties to equity (capital) by 30%, a decrease in capital by 10%;
- an increase in the concentration of liabilities with a term "on demand" in borrowed funds by 25%, an increase in the concentration of the loan portfolio by 30%, a decrease in capital by 10%.

According to the results of the stress testing of the concentration risk as of 01.01.2020, the level of the latter will be at an average level, the capital level is sufficient, and no threat to the Bank's financial stability has been identified.

The body responsible for the implementation of the concentration risk management policy is the Executive Committee of the Bank. The Bank's RMS is responsible for compliance with the requirements of this Policy and the procedures provided for therein. The responsibility for carrying out inspections of compliance with the procedures established by this Policy rests with the Bank's IAS.

Control over compliance with the established rules and procedures in relation to concentration risk management is carried out within the framework of the Bank's internal control system. With regard to concentration risk control, the most important are:

- control over compliance with the established limits for ongoing banking operations and other transactions;
- compliance with the established procedure for access to information and material assets of the Bank.

The Bank has developed a system of internal reports designed to inform management bodies and monitor compliance with the concentration risk policy.

The reporting system is designed to provide management bodies and heads of departments with sufficient information to make appropriate management decisions. Information on monitoring results is communicated to the Board of Directors and the Executive Committee of the Bank as part of the RMS reporting.

7.12. Legal risk management.

Legal risk - the risk of the Bank incurring losses due to:

- non-compliance by the Bank with the requirements of regulatory legal acts and concluded agreements;
- legal errors made in the implementation of activities (incorrect legal advice or incorrect preparation of documents, including when considering controversial issues in the judicial authorities);
- imperfection of the legal system (inconsistency of legislation, lack of legal norms to regulate certain issues arising in the course of the Bank's activities);

- violation by counterparties of regulatory legal acts, as well as the terms of concluded contracts.

A distinguishing feature of legal risk from other banking risks is the ability to avoid the emergence of a dangerous level of risk for the Bank, provided that the parties to the banking process fully comply with applicable laws and regulations, internal documents and procedures of the Bank.

The Bank organizes a legal risk management system for the following purposes:

- ensuring the legitimacy of their activities in all areas;
- ensuring the observance of their legitimate interests when concluding transactions and fulfilling the terms of contracts;
- establishment of legal reasons for the relationship between the Bank and its employees, compliance with labor legislation, standards of professional ethics of the Bank by its employees.

The main tasks of creating a legal risk management system are:

- organization of legal risk management on a unified basis;
- involvement in the procedures for managing legal risk of all departments and employees who can prevent its occurrence;
- establishing uniform principles for identifying, assessing and controlling legal risk, which are necessary and sufficient to comply with the interests of the Bank in the legal field.

The subjects of the legal risk management system are:

- Board of Directors;
- President;
- Executive Committee;
- RMS;
- Legal Department;
- Responsible person for combating legalization (laundering) of proceeds from crime and financing of terrorism;
- IAS;
- ICS;
- Heads of structural divisions of the Bank.

The emergence of legal risk can be due to both internal and external factors.

Internal factors of legal risk occurrence include:

- non-compliance by the Bank with the legislation of the Russian Federation, including the identification and study of customers, the establishment and identification of beneficiaries (persons for the benefit of whom the customers act), the constituent and internal documents of the Bank;

- inconsistency of the Bank's internal documents with the legislation of the Russian Federation, as well as the Bank's inability to timely bring its activities and internal documents in line with changes in legislation;

- ineffective organization of legal work, leading to legal errors in the Bank's activities due to the actions of employees or management bodies of the credit institution;

- violation by the Bank of the terms of agreements;

- insufficient study by the Bank of legal issues in the development and implementation of new technologies, conditions for conducting banking operations and other transactions, financial innovations and technologies;

- legal errors in the Bank's internal documents regulating management processes, in contracts, agreements and other external documents regulating the Bank's interaction with customers and counterparties.

External factors for the occurrence of legal risk include:

- imperfection of the legal system (lack of sufficient legal regulation, inconsistency of the legislation of the Russian Federation, its susceptibility to changes, including in terms of imperfection of methods of state regulation and (or) supervision;

- incorrect application of the legislation of a foreign state and (or) the norms of international law, the impossibility of resolving certain issues through negotiations and, as a result, the Bank's appeal to the judicial authorities for their settlement;

- violation by clients and counterparties of the Bank of the terms of agreements;

- the location of the Bank, customers and counterparties under the jurisdiction of various states.

The legal risk management system is organized by the Bank in three stages:

- preliminary;

- current;

- subsequent.

The preliminary stage is a system of administrative, organizational and financial measures to prevent the occurrence of legal risk until the Bank enters into a contractual relationship. This system also includes a set of measures to prevent offenses by the Bank's employees.

The current stage consists of identifying, analyzing and assessing emerging risks, as well as ongoing monitoring of the state of the level of legal risk.

The subsequent stage consists of an analysis of the shortcomings in the organization of the system, which led to the emergence of risks, recommendations for its optimization and control of its effectiveness.

The RMS, together with the Legal Department, coordinates the Bank's work to identify, measure, assess the level of legal risk and monitor the legal risk management system. On serious issues of organizing the monitoring system and (or) in case of emerging threats to the Bank due to an increase in legal risk, the RMS and / or the Legal Department are obliged to report to the Bank's management.

The Bank makes a legal assessment of claims received by the Bank and takes the necessary measures to protect its legitimate interests.

In order to minimize legal risk, the identification and collection of data on legal risk factors is carried out on an ongoing basis. On the basis of the information received, an analytical database on incurred losses is formed, which reflects information on the types and amounts of legal risk losses.

The Bank applies such methods (methods) to minimize the level of legal risk, such as:

- standardization of banking operations and other transactions (procedures, procedures, technologies for carrying out operations and transactions, concluding agreements);

- analysis of the influence of legal risk factors on the Bank's performance indicators;

- monitoring on an ongoing basis changes in the legislation of the Russian Federation, legislation of the countries in which the Bank conducts or plans to carry out operations;

- coordination of actions to identify, classify and assess legal risk;

- subordination of the Bank's Legal Department to the sole executive body;

- subordination of the Bank's RMS to the sole executive body

- optimization of the workload on the staff of the Legal Department, which ensures continuous professional development;

- ensuring access of the maximum number of employees to up-to-date information on legislation.

The Bank carries out stress testing of legal risk both on a comprehensive basis (as part of aggregated stress testing at least once a year) and on an individual basis (at least 2 times a year). The main goals and objectives of stress testing the level of the Bank's legal risk are:

- assessment of the financial stability of the Bank, the adequacy of its own funds (capital);
- determination of the level of the Bank's legal risk in order to determine the materiality of the legal risk, as well as planning the legal risk as part of the Bank's Risk Appetite;
- compliance of the Bank with the requirements of the Bank of Russia.

Stress testing is applied to the indicators of the Bank's financial performance. The main method of stress testing the level of legal risk is scenario analysis (based on hypothetical events). As part of the method of modeling (scenario analysis) of the level of legal risk, the Bank uses the Scenario of occurrence of events of realization of legal risk - a decrease in the Bank's equity (capital) by 15% due to the implementation of payments in court proceedings (transactions with bank guarantees). Also, the Bank may determine other Scenarios of possible implementation of the Bank's legal risk (based on the results of comprehensive stress testing, analysis of legal and / or operational and / or risks of loss of the Bank's business reputation).

The procedure and frequency of preparation of reports on legal risk are reflected in the Risk and Capital Management Strategy of the Bank. Legal risk reporting is prepared by the Bank's RMS in accordance with the requirements of the Bank of Russia.

ICAAP reporting includes, but is not limited to, the following information:

- on the revealed facts of the implementation of the legal risk;
- on the measures taken to eliminate the identified cases of realization of the Bank's legal risk;
- on the facts of violation by the Bank's subdivisions of the established limits and the achievement / failure of the signal values in relation to the legal risk, as well as the measures taken to resolve the identified violations;
- on the level of the Bank's legal risk;
- other information related to the legal risk of the Bank.

As of 01.01.2022, the level of legal risk is assessed as low.

7.13. Reputation risk management.

The risk of loss of business reputation (reputation risk) is the risk of loss of liquidity or capital by the Bank due to the narrowing of the client base due to the formation in society of a negative perception of the Bank's stability, the quality of the services (products) provided and the nature of the Bank's activities in general.

The reputation of the Bank is a public assessment of its merits and demerits, which develops under the influence of a variety of factors. Reputation is the basis for a client's choice of a servicing bank.

The constituent parts of the Bank's business reputation are:

- Trust in the Bank;
- Reputation of the Bank's top officials;
- Social position of the Bank;
- Service quality;
- Attitude of the staff towards the client;
- Advertising policy;
- Relations with the state, reputable (socially significant) clients.

Organization of the risk management system for the loss of business reputation in the Bank consists of three main areas:

- system of measures to prevent the occurrence of risk factors (preventive measures);
- system of measures to identify, analyze and assess risk factors (current measures);
- a system of optimization measures, including the elimination of identified risk factors (follow-up measures).

To identify risks of loss of business reputation, the Bank uses statistical and indicative methods.

The statistical method consists in the accumulation, systematization of internal and external information about the Bank and in the analysis of the causes of negative information about the Bank. The indicative method consists in building a system of risk indicators that are taken into account in the overall risk assessment.

The RMS and / or the Legal Department of the Bank monitors all messages in print and electronic media related to its activities or the activities of its clients.

The RMS maintains a database of such messages as part of the analytical database of the Bank's operational risks.

For the purpose of monitoring the risk of loss of business reputation, the Bank determines in its internal documents:

- procedure for monitoring the risk of loss of business reputation;
- the procedure and timeliness of responding to proposals received by the Bank from participants, customers and counterparties, as well as other interested parties.

Responsibility for the development and implementation of principles for managing the risk of loss of business reputation is vested in the Board of Directors in accordance with its powers determined by the Charter. Control over the monitoring of the business reputation risk management system is assigned to the Bank's RMS.

The RMS consolidates, systematizes and analyzes the information received from the Bank's divisions. The RMS, together with the Legal Department, develop recommendations to optimize the level of risk of loss of business reputation. Reputational risk is managed by the Board of Directors and the Executive Committee of the Bank.

The procedure and frequency of reporting on reputational risk are reflected in the Risk and Capital Management Strategy of the Bank. Reputation risk reporting is prepared by the Bank's RMS in accordance with the requirements of the Bank of Russia.

ICAAP reporting includes, but is not limited to, the following information:

- on the revealed facts of the reputational risk realization;
- on the measures taken to eliminate the identified cases of realization of the Bank's reputational risk;
- on the facts of violation by the Bank's divisions of the established limits and the achievement / non-achievement of signal values in relation to reputational risk, as well as measures taken to resolve the identified violations;
- on the level of the Bank's reputation risk;
- other information related to the Bank's reputational risk.

As of 01/01/2022, the level of risk of loss of business reputation is assessed as low.

7.14. Country risk management.

Country risk (including the risk of non-transfer of funds) is the risk of the Bank incurring losses as a result of non-fulfillment by foreign counterparties (legal entities, individuals) of obligations due to economic, political, social changes, as well as due to the fact that the currency of the monetary obligation may not be available to the counterparty from - for the peculiarities of national legislation (regardless of the financial position of the counterparty itself).

The goal of country risk management is to maintain the country risk assumed by the Bank at the level determined by the Bank in accordance with its own strategic objectives. The priority is to ensure maximum safety of assets and capital.

The emergence of country risk may be due to both internal and external reasons that do not depend on the financial position of the counterparty (client) of the Bank. Country risk depends on the political and economic stability of the client countries, counterparty countries, importers or exporters working with the Bank.

The organization of the country risk management system consists of three main areas:

- system of measures to prevent the occurrence of risk factors (preventive measures);
- system of measures to identify, analyze and assess, and monitor risk factors (current measures);
- a system of measures to minimize the identified country risk factors (follow-up measures).

For the purpose of identifying and assessing signs of country risk occurrence, the Bank applies one of the ratings of international rating agencies (Standart & Poor's, Moody's and Fitch Ratings), the change in the state and size of which in each specific case means the emergence of a different characteristic of a specific direction of the Bank's activities and, accordingly, the Bank has accepted a qualitatively different country risk. The main purpose of the ratings is to ensure that an appropriate management decision is made in relation to a certain area of the Bank's activities to reduce the impact of country risk on the Bank as a whole.

Country risk monitoring includes:

- study of the legislation of the counterparty countries;
- tracking information about foreign counterparties;
- study of the ratings of counterparty countries, macroeconomic conditions for the existence of their financial environment;
- advanced training of personnel on country risk issues;
- monitoring compliance by employees with their job responsibilities for country risk management.

Analysis and assessment of the Bank's country risk, as well as control over the monitoring of the country risk management system is entrusted to the Bank's RMS. The bank can set country limits that restrict transactions with counterparties that are residents of other countries.

As of 01.01.2022, the country risk is assessed as moderate.

7.15.Strategic risk management.

Strategic risk is the risk of the Bank incurring losses as a result of errors (shortcomings) made when making decisions that determine the strategy of the Bank's activity and development (strategic management) and are expressed in neglect or insufficient consideration of possible dangers that may threaten the Bank's activities, incorrect or insufficiently substantiated determining promising areas of activity in which a credit institution can achieve an advantage over competitors, the absence or incomplete provision of the necessary resources (financial, material and technical, human) and organizational measures (management decisions), which should ensure the achievement of the strategic goals of the Bank's activities.

The organization of the strategic risk management system consists of three main areas:

- system of measures to prevent the occurrence of risk factors (preventive measures);
- systems of measures to identify, analyze and assess risk factors (current measures);
- a system of optimization measures, including the elimination of identified risk factors (follow-up measures).

The interaction of divisions in order to identify and assess strategic risk is carried out within the framework of their functions, as well as their functional responsibilities, job descriptions and role in the process of managing the Bank's activities.

When identifying strategic risk, the Bank uses statistical and indicative methods. The statistical method consists in the accumulation and systematization of internal and external information about the Bank and its managers. The indicative method consists in building a system of risk indicators that are taken into account in the overall risk assessment.

In order to minimize strategic risk, the Bank monitors changes in the organizational structure of the Bank and analyzes the processes actually developing during the course of work in order to identify areas of potential conflicts of interest. The RMS maintains a dossier to investigate all cases of identifying a conflict of interest.

The main directions of the Bank's strategic risk regulation are the development and implementation of measures to prevent or minimize losses associated with it. This presupposes the creation of a strategic risk management system, that is, the foundations of a decision-making policy in such a way as to timely and consistently use all the development opportunities of the Bank and at the same time keep risks at an acceptable and manageable level.

The Bank focuses in its activities on the following methods of strategic risk management:

- the procedure for monitoring strategic risk;
- the system of powers of the strategic risk management bodies.

Responsibility for the development and implementation of the principles of strategic risk management is vested in the Board of Directors of the Bank in accordance with its powers determined by the Charter of the Bank.

The Bank organizes a system of protective measures to prevent the actions of third parties to involve employees in illegal actions.

Control over the monitoring of the strategic risk management system is assigned to the Bank's RMS.

In order to conduct an effective analysis and take measures to minimize strategic risk, the Bank, in accordance with the directions of its activities, creates and maintains an analytical database on losses from strategic risk, reflecting information on the amount of losses, the reasons for their occurrence and methods of compensation, as well as information on risk factors.

The Bank monitors all information that appears about the Bank and its managers in order to assess its impact on its business reputation, and also makes a legal assessment of this information.

The Bank's Development Strategy for 2021-2023, approved by the Board of Directors on 12/13/2021 (hereinafter referred to as the Strategy), plans to introduce new areas of activity: lending to small businesses under the guarantees of the Moscow and Moscow Region Small Business Lending Assistance Funds. As of 01/01/2022, the level of identified strategic risk factors and strategic risk was recognized as acceptable.

7.16. Additional information disclosed in relation to certain types of significant risks.

The procedure for assessing the impairment of financial assets in accordance with International Financial Reporting Standards (IFRS) 9 "Commercial Indo Bank" LLC is the Bank's internal regulatory document on determining the amount of impairment and allowance for expected credit losses on the Bank's financial assets (hereinafter - the Procedure for IFRS 9).

7.16.1. By credit risk by class of financial assets:

7.16.1.1. Assessment of the impact of credit risk on the amount, timing and uncertainty of future cash flows:

The Bank classifies financial assets according to their contractual cash flow characteristics and based on the business model for managing the relevant group of financial assets. In connection with the single purpose of managing the relevant group of financial assets, the Bank applies a single business model:

- holding financial assets to collect contractual cash flows, that is payments representing the repayment of the principal amount of the debt and the payment of interest on the outstanding part of the principal amount of the debt.

The classification of a financial instrument is based on its content, not its legal form.

The Bank classifies financial assets into financial assets carried at amortized cost.

Assumption used: based on the calculated exposure to expected credit losses in percentage terms, the Bank determines the probability of 100% non-repayment of the entire amount of the debt and interest income on it in time under the contract.

One of the main tasks in assessing credit risk is the task of calculating the borrower's default probability.

Since the majority of companies credited by the Bank do not have external ratings, the Bank's approach to calculating PD is based on a qualitative and quantitative assessment of the borrower's rating based on its internal financial performance and specific business factors.

The method for calculating the probability of default of the borrower for companies that make up the majority in the Bank's loan portfolio is based on a formula that establishes the relationship between financial ratios from the accounting (financial) reports of borrowers (financial ratios) and PD. After calculating the base PD, an expert assessment is built, which compares the calculated PD for the portfolio of assets with its personal assessment in accordance with the current internal methods developed in accordance with Regulations No. 590-P and No. 611-P.

The amount of impairment is determined as the higher of two values:

- Expert probability of default (PDe)(expert default probability) - is calculated based on the methodology established by the Bank. PDe(expert default probability) is calculated for six portfolios. At the same time, the coefficients of the retrospective and the coefficient of the prospective fact of the occurrence of defaults are calculated. The final value of PDe (expert default probability) is determined as a simple average of two calculated values.
- Estimated probability of default (PDe)(estimated default probability) (- is calculated on the basis of methods approved in accordance with Regulations No. 590-P and No. 611-P. PDe (estimated default probability) is equal to the estimated reserve under the existing scale.

7.16.1.2. Methods for determining whether there has been a significant increase in credit risk since the initial recognition of financial instruments.

The rule for the recognition of credit risk on financial instruments as low at the reporting date in the event of a slight increase in credit risk on financial instruments since their initial recognition, reclassifying the classes of financial instruments for which the credit risk is recognized as low.

Financial assets to which the rule applies	Rule
Assets acquired or created credit-impaired	At the time of initial recognition of the asset, the financial position of the counterparty was recognized as poor(in accordance with Regulation № 590-P)
Assets have objective evidence of impairment	Presence of current overdue debt on principal and/or

or have become credit-impaired	interest: <ul style="list-style-type: none"> • for credit institutions - more than 1 day, • for other counterparties - over 90 days. and/or Poor financial position of the counterparty as at the reporting date
Assets for which credit risk has increased significantly since initial recognition	Presence of current overdue debt on principal and/or interest exceeds 30 days (except for credit institutions); Presence of restructuring of the debt of the counterparty (provision of preferential terms in servicing obligations) associated with the financial difficulties of the counterparty

If none of the above conditions is met, then the financial asset does not have a significant increase in credit risk since initial recognition as at the reporting date.

7.16.1.3. Definition of default in relation to various financial instruments and reasons for choosing such definitions.

Default - refusal of the Borrower of the Bank from obligations on a financial asset and the presence of NPL90+ on a financial asset in the amount of more than 5% of monthly payments to repay the principal and interest on it, payable under the terms of the Agreement. Or the borrower is highly likely to be insolvent, or declared bankrupt, or there are statutory grounds for taking steps to prevent bankruptcy.

The models of credit risk parameters used by the Bank - the probability of default and the share of losses in case of default are based on the analysis of the values of the formed reserves in a given retrospective time period. The bank, in accordance with the concept of PIT (Point-In-Time - at the moment of time), determines for itself the duration of the retrospective time period T of one year or more. The Bank uses a portfolio approach to assess credit risk parameters.

The Bank distinguishes six categories of assets, for which the risks are averaged and, in the opinion of the Bank, more fully determine the probability of possible losses. Risk calculation based on retrospective and prospective analysis is carried out in the РИСКФИН.Prof. software module. The implemented algorithm most fully reflects the probability of default.

7.16.1.4. Principles for grouping financial instruments for which expected credit losses are measured on a group basis.

The Bank recognizes a financial asset when it becomes a party to the contract that governs the terms of the financial instrument.

The Bank classifies financial assets according to their contractual cash flow characteristics and based on the business model for managing the relevant group of financial assets. In connection with the single purpose of managing the relevant group of financial assets, the Bank applies a single business model:

- holding financial assets to collect contractual cash flows, that is payments representing the repayment of the principal amount of the debt and the payment of interest on the outstanding part of the principal amount of the debt.

The classification of a financial instrument is based on its content, not its legal form.

The Bank classifies financial assets into financial assets carried at amortized cost.

The business models used by the Bank and the corresponding categories of accounting for financial assets in the financial statements by groups of financial assets:

Estimation of Expert Default Probability for aggregated portfolios

Portfolio	Short description
Portfolio individuals	The portfolio of loans to individuals (1), individuals in the Bank is homogeneous
Portfolio of loans of legal entities	Portfolio of loans of legal entities(2), loans of legal entities are homogeneous, since more than 80 % of the loan portfolio is represented by wholesale and retail trade
IBC portfolio	IBC portfolio
IE portfolio	IE portfolio(4), IEs are homogeneous in terms of the specifics of their activities
Portfolio of other debtors	Portfolio of other debtors(5), the Bank's receivables are also homogeneous due to the fact that the main prepayments are made to suppliers of services and goods for current activities
Portfolio on correspondent account balances	Portfolio on balances on NOSTRO correspondent accounts

The model was determined on the basis of historical data and the similarity of the risks of losses.

7.16.1.5. Definition of credit-impaired financial assets

If, at the time of initial recognition of a financial asset, the Bank determines that the financial position of the counterparty is bad, then the financial asset is acquired or originated credit-impaired.

The Bank recognizes that a financial asset has objective evidence of impairment at the reporting date if any of the following circumstances exist:

- the maximum period of the current delay in payments as of the reporting date for all loans of the borrower for principal and/or interest:
 - for credit institutions - at least 3 days,
 - for other borrowers - over 90 days;
- poor financial position of the borrower as of the reporting date;

For a financial asset that does not have objective evidence of impairment at the reporting date, the Bank considers that credit risk has increased significantly since initial recognition if any of the following circumstances exist:

- the maximum period of the current delay in payments as of the reporting date for all loans of the borrower for principal and/or interest exceeds 30 days;
- transition of loans classified as quality category 1-2 at the time of initial recognition to quality category 3 at the reporting date.

If none of the above conditions is met, then the financial asset does not have a significant increase in credit risk since initial recognition as at the reporting date.

The Bank determines the classification based on the following:

The business models used by the Bank and the corresponding categories of accounting for financial assets in the financial statements by groups of financial assets:

Group of financial assets	Asset characteristic	Business model	Classification category	Applicability of this order
Balances on correspondent accounts with other banks and/or NCOs	-	-	Amortized cost	Applicable to the extent not classified as cash and cash equivalents
Interbank loans	The agreement provides for cash flows in the payment of principal and interest	Holding financial assets to collect contractual cash flows	Amortized cost	Applicable
Loans to legal entities and individuals	The agreement provides for cash flows in the payment of principal and interest	Holding financial assets to collect contractual cash flows	Amortized cost	Applicable
Asset sale agreements with deferred payment(session)	The agreement provides for cash flows in the payment of principal and interest	Holding financial assets to collect contractual cash flows	Amortized cost	Applicable
Other financial receivables	-	-	Amortized cost	Applicable

7.16.1.6. The write-off policy used, including indications that there is no reasonable expectation of recovering the cost of the asset and information about the policy for written-off financial assets that are subject to enforcement procedures.

The Bank determines in its internal methods the procedure for dealing with overdue debt and the procedure for its collection. Enforced collection starts within the first 10 days after the payment is overdue.

7.16.1.7. An estimate of a significant increase in the credit risk of a financial instrument as a result of changes in the contractual cash flows of financial assets.

The Bank monitors the rate of change in the loss allowance for financial assets that are subsequently re-measured at an amount equal to lifetime expected credit losses.

7.16.1.8. Basis of input data, assumptions and valuation models

To assess the parameters of credit risk of portfolios of grouped financial assets, the Bank uses the following information as of the monthly reporting dates of the analyzed retrospective time period:

- The gross carrying amount of the portfolio at the reporting date;
- The amount of formed portfolio reserves as of the reporting date;
- The amount of losses from the write-off of bad financial assets from the portfolio received as of the reporting date;
- The amount of recovery of bad financial assets contained in the portfolio received as of the reporting date;
- Income (loss) received on the portfolio for the reporting period.

The assessment methodology and models are contained in the internal regulatory document Procedure IFRS-9, which was developed by the Bank on the basis of the methodology laid down in the ПИСКФИН. Prof software package.

When working with prospective analysis models, the Bank uses data on such indicators (macro indicators) as: BRENT, MICEX, RTSI, GDP, INFLATION, IPP, KEY RATE OF THE BANK OF RUSSIA, EURO, USD, UNEMPLOYMENT RATE, GOLD, MIACR (1), MIACR (2-7), MIACR (8-30), MIACR (31-90), MIACR (91-180), MIACR (181-360), PALLADIUM, PD MOODYS, PLATINUM, SILVER, PER CAPITA INCOME, DISPOSSIBLE INCOME, EIR(effective interest rate).

7.16.1.9. Changes in valuation models or significant assumptions applied during the reporting period and the reasons for such changes.

Financial assets carried at amortized cost are measured using the effective interest method. The amortized cost of a financial asset is determined using the straight-line method or the EIR method. Wherein:

- to financial assets if the maturity of financial assets is less than one year at initial recognition, including financial assets with a maturity (return) date falling in a different reporting year, or if the difference between the amortized cost of a financial asset determined using the EIR method and the amortized cost of a financial of the asset determined by the straight-line method is not significant, the EIR method is not used by the Bank;
- if, at the date of initial recognition of a financial asset, its maturity was less than one year, and after the change in the terms of the contract, the maturity exceeds one year, the decision to apply the EIR method is made by the Bank based on an assessment of materiality;
- for financial assets with maturity (return) on demand (demand), the EPS method is not applied by the Bank;
- financial assets placed on non-market terms are carried at amortized cost using the EIR method;
- if, at the date of initial recognition of a financial asset, the maturity date was more than one year, the decision to apply the EIR method is made by the Bank based on an assessment of materiality.

7.16.1.10. The value of the additional loss allowance at the beginning and end of the period by class of financial instruments.

Asset groups	Loss allowance calculated in the amount equal to 12-month expected credit losses(thousand rubles)				Loss allowance calculated at an amount equal to lifetime credit losses, for financial instruments that are not recognized as credit-impaired financial assets, the credit risk of which has increased significantly since initial recognition, for financial assets that are not credit-impaired by the beginning of the reporting period, but recognized as credit-impaired as of the reporting date, for lease receivables(thousand rubles)				Acquired impaired financial assets or financial assets recognized as impaired as a result of the creation (preservation) of risks and rewards associated with the transfer of ownership rights to them(thousand rubles)			
	01.01.2022	01.04.2022	01.07.2022	01.10.2022	01.01.2022	01.04.2022	01.07.2022	01.10.2022	01.01.2022	01.04.2022	01.07.2022	01.10.2022
Portfolio of loans to individuals (1), the portfolio of individuals in the bank is homogeneous	(381)	0	0	0	0	0	0	0	-1755	0	0	0
Portfolio of loans to legal entities (2), loans to legal entities are is homogeneous, since more than 80% of the loan portfolio is represented by wholesale and retail trade	3 886	0	0	0	0	0	0	0	(1 755)	0	0	0
IE portfolio (4), IE are homogeneous in terms of the specifics of their activities	3 590	0	0	0	0	0	0	0	0	0	0	0
Portfolio other debtors (5), the Bank's receivables are also homogeneous due to the fact that the main prepayments are made to suppliers of	(1 709)	0	0	0	0	0	0	0	0	0	0	0

services and goods for current activities												
Portfolio on balances on NOSTRO correspondent accounts(6)	(898)	0	0	0	0	0	0	0	0	0	0	0

7.16.1.11. The minimum loss allowance for which is calculated in an amount equal to 12-month expected credit losses, which had to be additionally created as of 01/01/2022 is presented in tabular form:

Portfolio	Quality category	Allowance for impairment, %
Portfolio legal entities (1)		
	1	0,23
	2	1,80
	3	4,50
	4	11,25
	5	22,50
Portfolio individuals (2)		
	1	2,21
	2	11,05
	3	22,10
	4	100
	5	100
IBC portfolio (3)		
	1	5
	2	2
	3	100

	4	100
	5	100
IE portfolio (4)		
	1	2,28
	2	13,65
	3	22,75
	4	100
	5	100
Portfolio other debtors (5)		
	1	0,11
	2	0,23
	3	1,13
	4	1,80
	5	2,25
Portfolio on balances on NOSTRO correspondent accounts (6)		
	1	0,10
	2	0,10
	3	0,50
	4	1
	5	1,5

The Bank carried out additional creation of provisions for impairment only for the first category of asset quality, since the approved model assumes an upward adjustment in relation to the created provisions for regulatory provisions specified in Regulations No. 590-P and No. 611-P.

7.16.2. Additional information on liquidity risk

7.16.2.1. Information on the existence of internal control procedures and liquidity risk management plans in case of emergency

The strategy of the Bank's exit from the liquidity crisis is based on the principle of minimizing costs when repaying the liquidity deficit and consists in smoothing out the imbalance of active-passive operations in terms of maturity. The table contains brief characteristics of the methods for reducing the Bank's liquidity deficit.

Sources of liquidity defi-	Methods to reduce the liquidity	Bank management coor-	Department re-
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cit repayment	shortage	dinator	sponsible for operations
Interbank loans	Conclusion of new cor. relations Availability of the required amount of funds as collateral Conclusion of new interbank contracts Expanding the list of counterparties Increase in the volume and duration of credit lines	The President	Department of active - passive operations Department of accounting of active and passive operations Customer service Legal Department
Refinancing of the Bank of Russia	Preliminary conclusion of an agreement and additional agreements on pawnshop loans Maintaining the required number of securities free from collateral	The President	Department of active - passive operations Department of accounting of active and passive operations Legal Department
Increase of the authorized capital	Assistance of the founders of the Bank	The President	Legal Department

The mobilization of the Bank's assets involves the sale of assets and the improvement of their quality, the termination of lending for a certain period, and the reduction of administrative and management expenses. The President of the Bank is responsible and fully responsible for coordinating the mobilization of the Bank's assets.

Assets	Asset mobilization methods	Bank management coordinator	Department responsible for operations
Overdue loans	<ul style="list-style-type: none"> active efforts of the Bank to raise funds for debts change in the debt servicing schedule obtaining additional and substantial collateral for debt obligations sale of overdue assets on the free debt market 	The President	Department of active - passive operations Юридический отдел
Interbank and other loans	Change in the loan repayment schedule, with early repayment	The President	Department of active - passive operations
Securities	Sale of government securities	The President	Department of active - passive operations

Bank reserves	Formation of reserves for possible losses on loans and reserves for doubtful assets in the amount not less than those provided by the Central Bank of the Russian Federation	The President	Department of active - passive operations
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During a payment crisis, the entire responsibility for fulfilling the Bank's obligations to its customers lies with the Executive Committee.
Procedures for anti-crisis management in the event of a liquidity shortage are given in the Table.

Procedure for making a decision on anti-crisis liquidity management of the Bank	Coordinator	Department responsible for operations
Calculation of additional liquidity requirement.	The President	Chief accountant, Department of active - passive operations
Planning to reduce the current payments of clients (due to not applying the strategy practiced by the Bank to reduce the terms of client payments).	Head of customer service department	Department of active - passive operations
Reduction (or refusal) of payments for expenses for own needs, and their transfer to other time periods.	Chief accountant	Chief accountant
Planning the expiration of deals on ongoing active operations for this period.	The President	Department of active - passive operations
Recommendations when concluding transactions on ongoing passive operations on their completion in other time periods.	The President	Department of active - passive operations
Planning for the sale of liquid assets.	The President Chief accountant	Department of active - passive operations, Chief accountant

<p>Planning for the sale of tangible assets.</p>	<p>The President Chief accountant</p>	<p>Department of active - passive operations, Chief accountant</p>
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In the event of an unforeseen development of events, namely in the event of a liquidity crisis in the Bank, the Executive Committee of the Bank ensures that measures are taken to eliminate the liquidity crisis and approves an asset and liability management action plan that will eliminate the liquidity crisis, on the basis of which the powers and actions of the relevant employees and departments of the Bank.

Causes and events of the liquidity crisis. An increase in the risk indicator, including liquidity risk, may be caused by external and internal factors, a single event or a series of incidents.

External factors include factors that arise outside the Bank, however, due to their scale and simultaneity, they can lead to problems within it:

- political, social, economic and other situations resulting from the outbreak of war, revolution, instability of the political regime, nationalization, privatization, prohibition of payments abroad, embargo, cancellation of licenses, aggravation of the economic crisis in the country, natural disasters, etc. ;
- economic external factors include instability of exchange rates, inflation, loss of customer confidence in the banking system as a whole, bankruptcy and abuse of the Bank's customers, etc.
- Internal factors are directly related to the Bank's activities: .
- excessive short-term borrowing or long-term lending;
- significant dependence on one market or a small number of partners in terms of attracting deposits;
- loss of the Bank's reputation, etc.

Events in the event of an emerging liquidity crisis:

- an unexpected significant decrease in customer account balances on demand (a 10-20% drop or more compared to the previous month's average of more than three days);
- the Bank's inability to acquire/attract time deposits at the current market value;
- significant reduction by counterparty banks of previously opened limits on the Bank.

Aggravation of liquidity problems in the Bank is most often accompanied by a significant increase in credit, currency and interest rate risks. Reducing the negative consequences of the emerging liquidity crisis is achieved by preliminary planning of special events.

An aggravation of the liquidity crisis, even caused by external factors, may have consequences for the Bank of varying scale and severity. It depends, among other things, on the formed structure of assets and liabilities, their quality, the degree of diversification by clients and terms, and the size of the open currency position. Given this, the list and sequence of pre-planned activities should be specified at the time of the onset of the crisis.

Measures to localize the liquidity crisis should be carried out by the Bank promptly in three directions:

- organizational;

- management (transformation) of placed funds - assets;
- management (transformation) of borrowed funds - liabilities.

Anti-crisis measures are based on the premise that an aggravation of the liquidity crisis requires a sharp transition from the normal system of liquidity management to its variant in a crisis.

Critical points of anti-crisis measures are the total need for cash and the ability to meet this growing need. Therefore, the extent to which all three activities listed above will be applied will depend on the extent of the funding gap experienced.

Organizational events.

The main coordinating and controlling body of organizational activities is the Executive Committee, the frequency of which in the conditions of a liquidity crisis is established by the President of the Bank. At the same time, the activities of the members of the Executive Committee are aimed at solving the following tasks:

- identification of the factors that caused the crisis situation (external or internal), as well as signs indicating the emergence of a crisis;
- definition of strategic actions and the scope of their introduction;
- development and submission for approval by the Board of Directors of the Bank of the Action Plan;
- appointment of persons responsible for the implementation of activities, coordination of interaction between executing units;
- control over the implementation of measures;
- informing the Board of Directors of the Bank about the results of activities and changes in benchmarks (dynamics of client funds, the possibility of acquiring term deposits and inter-bank funds at the current market value, the Bank's reputation, etc.);
- determination of the moment of exit from the crisis and a plan for returning to normal operation;
- analysis of the events that have taken place, conclusions about the effectiveness of the measures taken and how much it is possible to avoid a recurrence of such a crisis;
- making a decision on issues of providing the public with the necessary information (or restrictions on the dissemination of information of a certain nature).

At the same time, in the order of general coordination of actions, the following should be carried out:

- development, submission for consideration and approval by the Executive Committee of proposals and options for a plan of necessary activities;
- bringing the decisions and plans made to the responsible executors.

In addition, the reputation of the Bank in this situation depends to a large extent on the effectiveness of information management. The timely dissemination of information that correctly explains the position to interested internal and external circles, or the imposition of certain restrictions on its disclosure, can reduce the spread of rumors and restore confidence in the Bank.

Basic asset management activities.

- 1) Funds in the Central Bank of the Russian Federation, cash on hand:
 - a) checkout:
 - setting limits on cash (in terms of volume or turnover);

- if necessary, daily informing (based on a 3-day forecast) of the head of cash services about the upcoming repayment of deposit agreements by the Customer Relations Department;
- development of an appropriate procedure for conducting currency exchange (non-trading) operations (setting the level of the exchange rate, tariffs or commissions for conducting operations);

Responsible divisions: Department of cash services, Department of active-passive operations, Department for work with clients.

b) correspondent account with the Bank of Russia and correspondent accounts with resident banks of the Russian Federation:

- prioritization of payments according to their importance (taking into account the priority of client payments and the need to maintain the current activities of the Bank);

Responsible departments: Department of active-passive operations, Department for work with clients, Deputy Vice President for systems technologies.

2) Interbank lending and correspondent "NOSTRO" accounts in resident banks of the Russian Federation:

- tightening limits on transactions with counterparty banks (reducing, fixing, closing);
- reduction of liabilities on previously concluded credit lines for lending to other banks;

Responsible departments: Department of active-passive operations.

3) Loan portfolio:

- taking measures for early repayment of part of the loan;
- consideration of the possibility of selling part of the loan portfolio to other banks;
- tightening limits (reducing, fixing, closing);
- revision of the terms of loans issued towards short ones;
- determination of the possibility of raising interest rates, revision of the tariff policy;
- determination of the list of clients whose lending should not be terminated.

Responsible divisions: Department of active-passive operations, Legal department.

4) Portfolio of securities:

- consideration of the possibility of selling a portfolio of securities;
- tightening limits (reducing, fixing, closing);
- restructuring of the securities portfolio in the direction of reducing its terms.

Responsible departments: Department of active-passive operations.

5) Fixed assets and capital investments:

- consideration of the possibility of limiting the increase in fixed assets and capital investments, and other non-operating expenses;
- establishment of a ban on the purchase / sale of fixed assets and the implementation of capital investments;
- setting a limiting ceiling;
- consideration of the possibility of selling part of fixed assets.

Responsible divisions: Chief Accountant, Legal Department.

The main activities for the management of liabilities:

1) Interbank loans:

- increase in volumes and/or prolongation of the maturity of interbank deposits;
- intensification of work on the use of previously concluded credit lines to attract funds from other banks;
- regular analysis of the availability and volume of concentrated borrowed funds from one holder;

- prompt acquisition of funds (including borrowings in external financial markets);
- attracting loans under REPO transactions secured by securities.

Responsible departments: Department of active-passive operations.

2) Settlement accounts:

- consideration and evaluation of the possibility of introducing more attractive services and conditions for settlement and cash services for customers in order to make customers interested in maintaining account balances with the Bank;
- regular analysis of the availability and volume of concentrated borrowed funds from one holder.

Responsible departments: Department of active-passive operations, Department for work with clients, Legal department.

3) Deposits:

- development of new products for additional attraction of deposit funds;
- change in interest rates;
- variation of terms in the direction of lengthening;
- regular analysis of the availability and volume of concentrated borrowed funds from one holder.

Responsible divisions: Legal department, Department of active-passive operations, Department for work with clients.

The possibility and expediency of carrying out activities in the listed areas should be promptly assessed by each unit in a particular situation.

Measures for the effective management of disseminated information, including:

- providing the necessary information to stakeholders to clarify the position of the Bank;
- determination from the point of view of legal aspects of the range of issues that are subject and not subject to disclosure.

Responsible departments: Executive Committee.

Return to normal business activity. The process of returning to normal business activity includes a thorough restructuring of the Bank's assets and the careful liquidation of liabilities acquired during the crisis, publicizing the Bank's recovery from the crisis, and restoring its reputation.

7.16.3. Information on hedging operations.

Hedging operations were not performed in the reporting period.

7.17. Financial leverage and mandatory ratios of the Bank.

The Bank disclosed information on compliance with the requirements of the Bank of Russia in terms of compliance with the Bank's mandatory ratios in the reporting form 0409813 and on the indicator of financial leverage in the reporting form 0409808. The table below shows the values

Standard name	Number i/n	Standard name	Ultimately admissible meaning	Actual value at the reporting date	Actual value as of the date one quarter from the reporting date	Actual value as of the date two quarters from the reporting date	Actual value as of the date three quarters from the reporting date

The amount of balance sheet assets and off-balance sheet exposures at risk for calculating the financial leverage ratio, In thousand rubles	13	-	-	5441253	5559587	5918708	6874187
Financial leverage ratio of a bank(N1.4), a banking group (N20.4), in%	14	N1.4	min.3	40.832	39.919	37.284	32.316
Leverage ratio with full application of the expected credit loss model, in %	14a	-	-	41.277	39.971	37.271	32.412

During 2021, the value of balance sheet assets and off-balance sheet exposures at risk for calculating the financial leverage ratio decreased by 1,432,934 thousand rubles; the bank's financial leverage ratio (N1.4) increased by 27%. The value of the financial leverage indicator has changed, mainly due to changes in the value of balance sheet assets and off-balance sheet claims.

8. Information about transactions with parties related to the Bank.

The Bank discloses information on transactions with related parties in terms of transactions (transactions), the size of which exceeds 5% of the carrying amount of the corresponding balance sheet item, namely transactions to raise funds from the State Bank of India and Canara Bank.

The concept of "related parties" is used in the meaning of "related parties" as defined by IAS 24 "Related Party Disclosures".

Parties are considered to be related if one of the following conditions is met:

- one of them has the ability to control the other or is under common control with it,
- one of them has the ability to exercise significant influence over the financial and operating decisions of the other party,
- one of the parties has the right to joint control over the enterprise.

In 2021-2020, transactions with parties related to the Bank were carried out at market prices and on terms similar to the conditions for transactions with other persons not related to the Bank. The procedure for making transactions bearing credit risk with persons related to the Bank was not violated. All settlements with parties related to the Bank are carried out by bank transfer.

8.1. Information on operations (transactions) with parties related to the Bank is given in the table:

Operation types	Members		Total
	State Bank of India	Canara Bank	
Active operations in the interbank market			
As of 01.01.2021	0	0	0
Placed funds for the reporting period	0	0	0
Repaid funds for the reporting period	0	0	0

As of 01.01.2022	0	0	0
Passive operations in the interbank market (reporting line "Funds of credit institutions")			
As of 01.01.2021	1 477 514	0	1 477 514
Funds raised for the reporting period	0	0	0
Repaid for the reporting period	(1 477 514)	0	(1 477 514)
As of 01.01.2022	0	0	0

As of 01/01/2022 and 01/01/2021, there are no placed funds.

As of 01/01/2021 the total funds raised from the State Bank of India amounted to USD 10 million, maturity date 05/14/2021, interest rate 0.7 and USD 10 million, maturity date 03/31/2021, interest rate 0.67. As of 01/01/2022, there are no funds raised.

During the reporting period, the movement in the raised funds section is associated with the return of deposits due to the expiration of the term and attraction of resources from related parties for new terms.

The terms of attraction did not differ significantly from the conditions of operations (transactions) with other counterparties in terms of terms of raising funds.

The cost of raising funds from the State Bank of India and Canara Bank is set by agreements, reviewed once every 6 months and calculated as a six-month LIBOR (USD) plus 100 percentage points.

8.2. The participants' correspondent account balances were as follows:

Account type	01.01.2022		01.01.2021	
	Number of accounts	Balance sheet	Number of accounts	Balance sheet
NOSTRO accounts	4	973 547	4	860 319
Including in US dollars	1	948 728	1	843 998
LORO accounts	2	201 764	2	225 974
Including in Russian rubles	2	201 004	2	225 974

All funds raised from related parties are unsecured.

There are no investments in securities, subordinated loans, mutual commitments, guarantees issued and received, and there are no write-offs of uncollectible receivables from related parties. There are no overdue payments on principal and interest, no dividends were paid.

There are no other significant incomes and expenses from operations (transactions) with parties related to the Bank.

8.3. Items of income and expenses on operations with participants:

Income and expenses	Data for 2021	Data for 2020
Interest income from interbank lending operations	0	2 082
Interest expenses on interbank borrowing operations	3 205	8 329
Fee and commission income	334	472

Key management personnel are members of the Board of Directors and members of the Executive Committee.

According to the Bank's policy, all transactions with related parties are carried out on the same terms (including terms and conditions for making (completing) settlements on these trans-

actions) as the Bank's transactions with independent parties. Loans were provided/deposits were attracted on market terms, there are no special conditions for transactions with related parties, the rates for placing/raising funds on these transactions corresponded to market rates, as well as the rates for the Bank to conclude transactions with other independent parties. Transactions with related parties involve predominantly non-cash settlements.

8.4. Information on remuneration to key management personnel of the Bank.

Name	Data for 2021	Data for 2020
Short-term remuneration to the Executive Committee	18 399	18 199
Short-term remuneration to the Board of Directors	13 244	7 081

In connection with the entry into force of the Regulation of the Bank of Russia No. 465-P dated April 15, 2015, the Bank recognizes liabilities for accumulative paid vacations of employees.

The table below provides an analysis of changes in liabilities for accrued paid holidays for employees in 2021 and 2020:

Indicator name	Reservation liabilities for upcoming vacations
Data for 2020	2 069
accrued	5 610
restored	(3 834)
Data for 2021	3 845
accrued	5 522
restored	(6 666)
Data for 2022	2 701

9. Information on long-term employee benefits of the Bank

For members of the Executive, Credit and Finance Committees of the Bank, Heads and employees of divisions that accept risks, within the framework of the Unfixed part of remuneration, the Remuneration Policy approved by the Board of Directors establishes deferred remuneration depending on the results of the Bank's activities.

Deferred remuneration is payable no earlier than after 3 (three) years, with the exception of transactions, the final financial results of which are determined earlier than the specified period.

Deferred remuneration is accrued in the absence of the following events:

- dismissals from the Bank;
- absence of positive or negative financial results of activities Ban violation of the requirements of the Code of Professional Ethics and the Anti-Bribery and Corruption Policy;
- significant revision of the Bank's financial statements;
- committing actions that cause significant damage to the Bank;
- the presence of cases in the reporting year of non-compliance with at least one mandatory ratio in the aggregate for six or more business days for any 30 consecutive business days established by Instruction of the Bank of Russia dated November 29, 2019 No. 199-I "On mandatory ratios and allowances for banks' capital adequacy ratios with a universal license.

The amount of deferred remuneration varies depending on the duties and positions of the Executives and employees of the Bank. The Bank's key performance indicators for remuneration adjustments are described in the Remuneration Policy.

As of 01/01/2022, the Bank has no obligations to pay Deferred Interest.

The Bank does not have post-employment benefit programs limited to fixed payments. The Bank does not have any post-employment benefit programs that are not limited to fixed payments. The Bank has no agreements with the Banks-Members providing for the sharing of risks between the Bank and the Banks-Members under any programs of material incentives for personnel, including programs with fixed and non-fixed payments.

10. Information about the business combination.

For the reporting 2021, there were no business combinations.

11. Information about the body that approved the accounting (financial) statements for issue

The annual accounting (financial) statements will be approved by the general meeting of the Participants no later than March 30, 2022.

Acting Deputy President

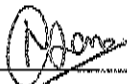
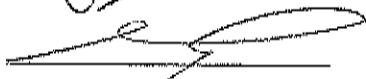
Sen Nitesh

Chief accountant

Silonov A. N.

« 29 » March 2022



ПРОШНУРОВАНО, ПРОНУМЕРОВАНО И
СКРЕПЛЕНО ПЕЧАТЬЮ 147 ЛИСТ *26*
Директор Департамента аудита
ООО "КНК"
Ельхимова Т.В.

